

NOTICE OF STAKING

NOTICE OF STAKING		6	Lease Number UT ML-42215
1	Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> X Other <input type="checkbox"/>	7	If Indian, Allotte or Tribe NA
2	Name of Operator Lone Mountain Prod., Co.	8	Unit Agreement Name Hanging Rock
3	Name of Specific Contact Person William A. Ryan	9	Farm of Lease Name NA
4	Address & Phone No. of Operator or Agent 350 S. 800 E. Vernal UT 84078 435-789-0968	10	Well No. H.R. State S 44-2
5	Surface Location of Well SE1/4, SE1/4 Attach: a) Sketch showing road entry onto pad, pad dimensions, and reserve pit. b) topographical or other acceptable map showing location, access road, and lease boundaries.	11	Field Or Wildcat Name
15	Formation Objective(s) Wasatch /Mesaverd	16	Estimated Well Depth 5,000'
		13 County	14
		Uintah	Utah
17	Additional Information (as appropriate; shall include surface owner's name, address and if known, telephone number)		

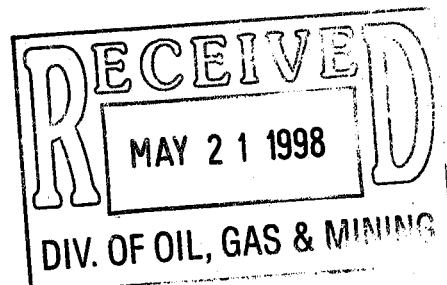
The surface owner is the State of Utah
A BLM Right Of Way will be required for both the road and pipe line
Please see the attached map for additional details

18 Signed William A. Ryan Title Agent Date May 13 1998

note: Upon receipt if Notice, the Bureau of Land Management(BLM) will schedule the date of the onsite predrill inspection and notify you accordingly. The location must be staked and access road must be flagged prior to the onsite.

Operators must consider the following prior to the onsite

- a) H2S Potential
- b) Cultural Resources (Archeology)
- c) Federal Right of Way or Special Use Permit



STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

5. LEASE DESIGNATION AND SERIAL NO.

UT ML-42215

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

1a TYPE OF WORK

DRILL ☒

DEEPEN ☐

PLUG BACK ☐

7. UNIT AGREEMENT NAME

Hanging Rock

B TYPE OF WELL

Oil Well ☐

Gas Well ☒

OTHER

Single Zone ☐

Multiple Zone ☒

8. FARM OR LEASE NAME

2. Name of Operator

Lone Mountain Prod., Co.

9. WELL NO.

H.R. State S 44-2

3. Address of Operator

P.O. Box, 3394, Billings, MT 59103 406-245-5077

10. FIELD OR LEASE NAME

4. Location of Well (Report location clearly and in accordance with any State requirement)

At surface **651' FEL, 580' FSL SE/SE**

At proposed prod. Zone **198 197**

11. Sec., T., R., M., OR BLK

AND SURVEY OR AREA

Sec. 2, T12S, R23E

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE

12. COUNTY OR PARISH 13. STATE

Uintah Utah

15. Distance from proposed location to nearest Property or lease line ft.

580'

16. NO. OF ACRES IN LEASE

641.35

17. NO. OF ACRES ASSIGNED TO THIS WELL

40

(Also to nearest drig. Unit line, if any)

16. DISTANCE FROM PROPOSED LOCATION * TO NEAREST WELL, DRILLING COMPLETED.

2800'

19. PROPOSED DEPTH

5000'

20. ROTARY OR CABLE TOOLS

Rotary

OR APPLIED FOR, ON THIS LEASE, FT.

21. ELEVATION (SHOW WHETHER DF, RT, GR, etc.)

5978'

22. APPROX. DATE WORK WILL START

Sept. 1, 1998

23

PROPOSED CASING AND CEMENT PROGRAM

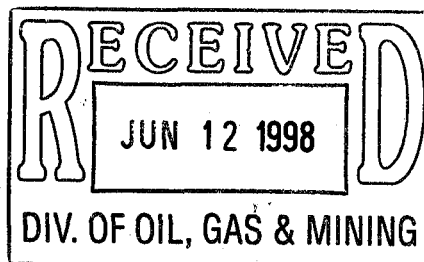
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4	9 5/8	36	300	To Surface
7 7/8	4 1/2	11.6	T.D.	Cement top to cover the oil shale

Operator requests permission to drill the subject well.

Please see the attached 10 Point and 13 Point Surface Use Plan.

If you require additional information please contact:

William Ryan
350 S., 800 E.
Vernal, Utah
435-789-0968



IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposed in to deepen or plug back, give data on proposed productive zone and proposed new productive zone. If proposal is to drill or deepen directional, give pertinent data on subsurface location and measure and true vertical depths. Give blowout preventer program, if any.

24

SIGNATURE

William Ryan

TITLE

Agent

DATE

June 4, 1998

(This space for Federal or State Office Use)

PERMIT NO.

43-047-183130

APPROVAL DATE

BRADLEY G. HILL

APPROVED BY

TITLE

RECLAMATION SPECIALIST III

DATE

2/25/99

CONDITIONS OF APPROVAL, IF ANY:

***See Instructions on Reverse Side**

Title 18 U. S. C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

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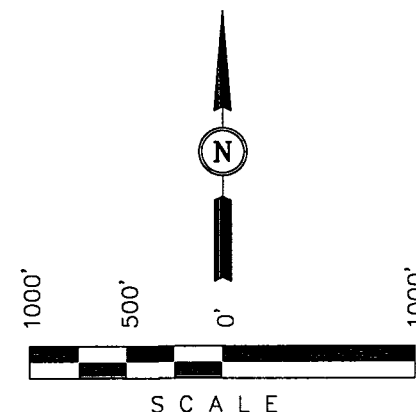
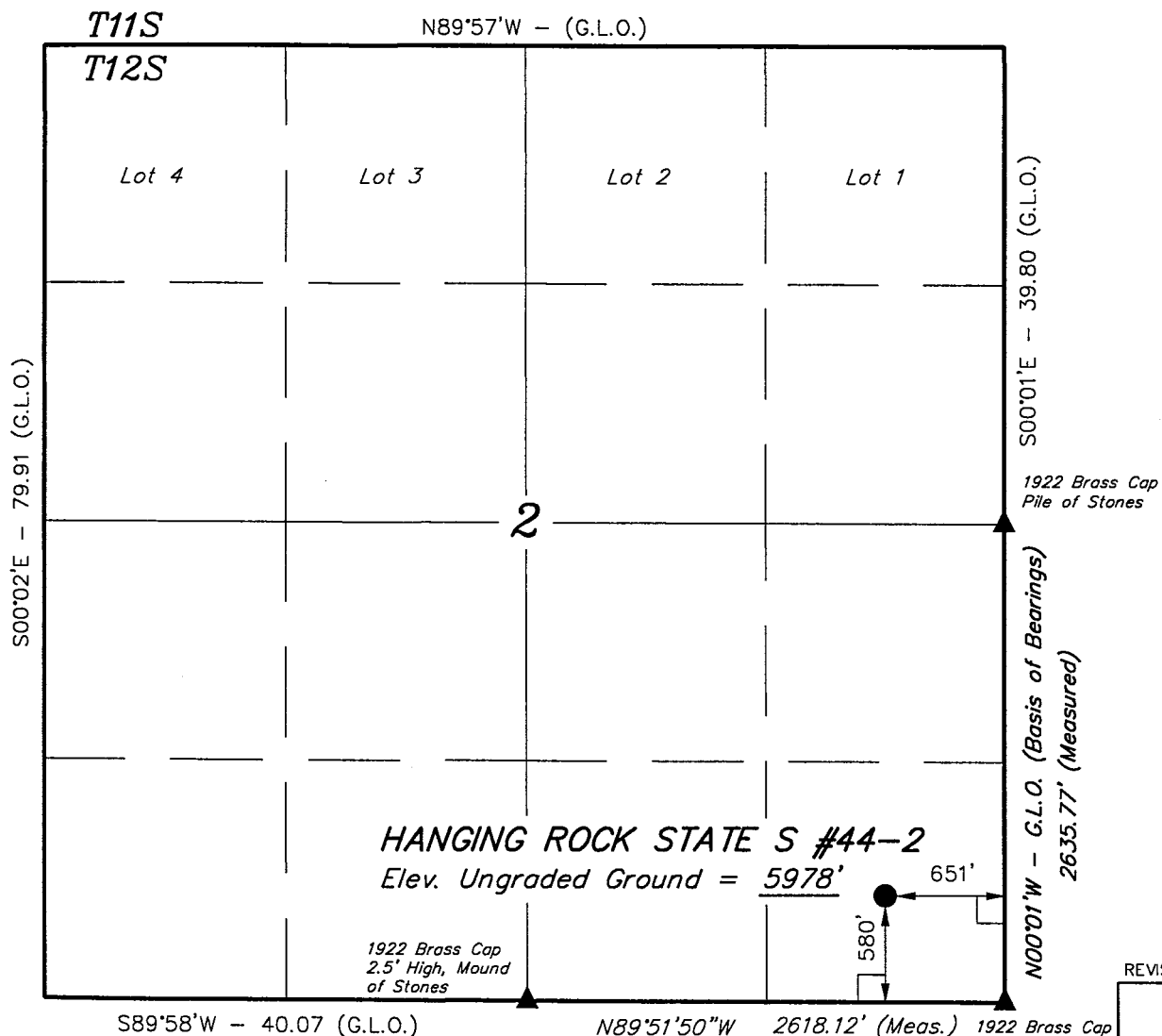
T12S, R23E, S.L.B.&M.

LONE MOUNTAIN PRODUCTION

Well location, HANGING ROCK STATE S #44-2 located as shown in the SE 1/4 SE 1/4 of Section 2, T12S, R23E, S.L.B.&M. Uintah County Utah.

BASIS OF ELEVATION

BENCH MARK 87 EAM LOCATED IN THE SW 1/4 OF SECTION 1, T12S, R23E, S.L.B.&M. TAKEN FROM THE ARCHY BENCH SE, QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5887 FEET.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

REGISTERED LAND SURVEYOR
 REGISTRATION NO. 1
 STATE OF UTAH
 ROBERT L. KAY

REVISED BY: C.G. 5-28-98

UINTAH ENGINEERING & LAND SURVEYING
 85 SOUTH 200 EAST - VERNAL, UTAH 84078
 (435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 02-02-98	DATE DRAWN: 02-04-98
PARTY D.A. K.H. D.R.B.	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE LONE MOUNTAIN PRODUCTION	

LEGEND:

- └─┘ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

LATITUDE = 39°47'49"
 LONGITUDE = 109°18'10"

Ten Point Plan

Lone Mountain Production Company.

H.R. State S 42-2

Surface Location SE 1/4, NE 1/4, Section 2, T. 12 S., R. 23 E.

1. Surface Formation:

Green River

2. Estimated Formation Tops and Datum:

<u>Formation</u>	<u>Depth</u>	<u>Datum</u>
Green River	Surface	+5,935' G.L.
Oil Shale	535	+5,400
Wasatch	2,635	+3,300
Mesaverda formation	4,260	+1,675
T.D.	5,000	+ 935

3. Producing Formation Depth:

Formation objective includes the Wasatch and its sub-members.

Off Set Well Information:

Off set well: None

4. Proposed Casing:

Hole	Casing Grade	Setting	Casing	
<u>Size</u>	<u>Size</u> <u>Weight/Ft.</u>	<u>& Tread</u>	<u>Depth</u>	<u>New/Used</u>
12 1/4	11 9 5/8 24 36	J-55/STC	300	New
	7 7/8 4 1/2 11.6	J-55/LTC	T.D.	New

Verbal changes on W.R.
2/25/99 RSK.

Cement Program:

<u>Casing Size</u>	<u>Cement Type</u>	<u>Cement Amount</u>	<u>Cement Yield</u>	<u>Cement Weight</u>
8 5/8	Class "G" 2% Calcium 1/4 #/sk. Cello Flake	200 sks. +/-	1.18 cu. ft./sk.	15.6 lbs./gal.
4 1/2 Lead.	Class "G" 3% salt 16% gel (Bentonite) 10# sk Gilsonite .4 lbs./sk. FL 25	200 sks. +/-	3.90 cu. ft./sk.	11.0 lbs./gal.
Tail	Class "G" 10% salt 10% Gypsum 2% WR14 .4 lbs/sk FL-25	500 sks. +/-	1.53 cu. ft./sk.	14.8 lbs./gal.

5. BOP and Pressure Containment Data:

The anticipated bottom hole pressure will be less than 3000 psi.

A 3000-psi WP BOP system as described in the BOP and Pressure Containment Data (attached) will be installed and maintained from the 8 5/8" surface casing. The BOP system including the casing will be pressure tested to the minimum standards set forth in "On Shore Order #2". The BOP will be mechanically checked daily during the drilling operation.

6. Mud Program:

<u>Interval</u>	<u>Mud weight lbs./gal.</u>	<u>Viscosity Sec./Qt.</u>	<u>Fluid Loss Ml/30 Mins.</u>	<u>Mud Type</u>
0-300	Air/Clear Water	----	No Control	Water/Gel
300-2500	Clear Water	----	No Control	Water/Gel
2500-T.D.	8.4-8.6	30	8-10	Water/Gel

7. Auxiliary Equipment:

Upper Kelly cock, full opening stabbing valve, 2 1/2" choke manifold and pit level indicator.

8. Testing, Coring, Sampling and Logging:

- a) Test: None are anticipated.
- b) Coring: There is the possibility of sidewall coring.
- c) Sampling: Every 10' from 2000' to T.D.
- d) Logging:

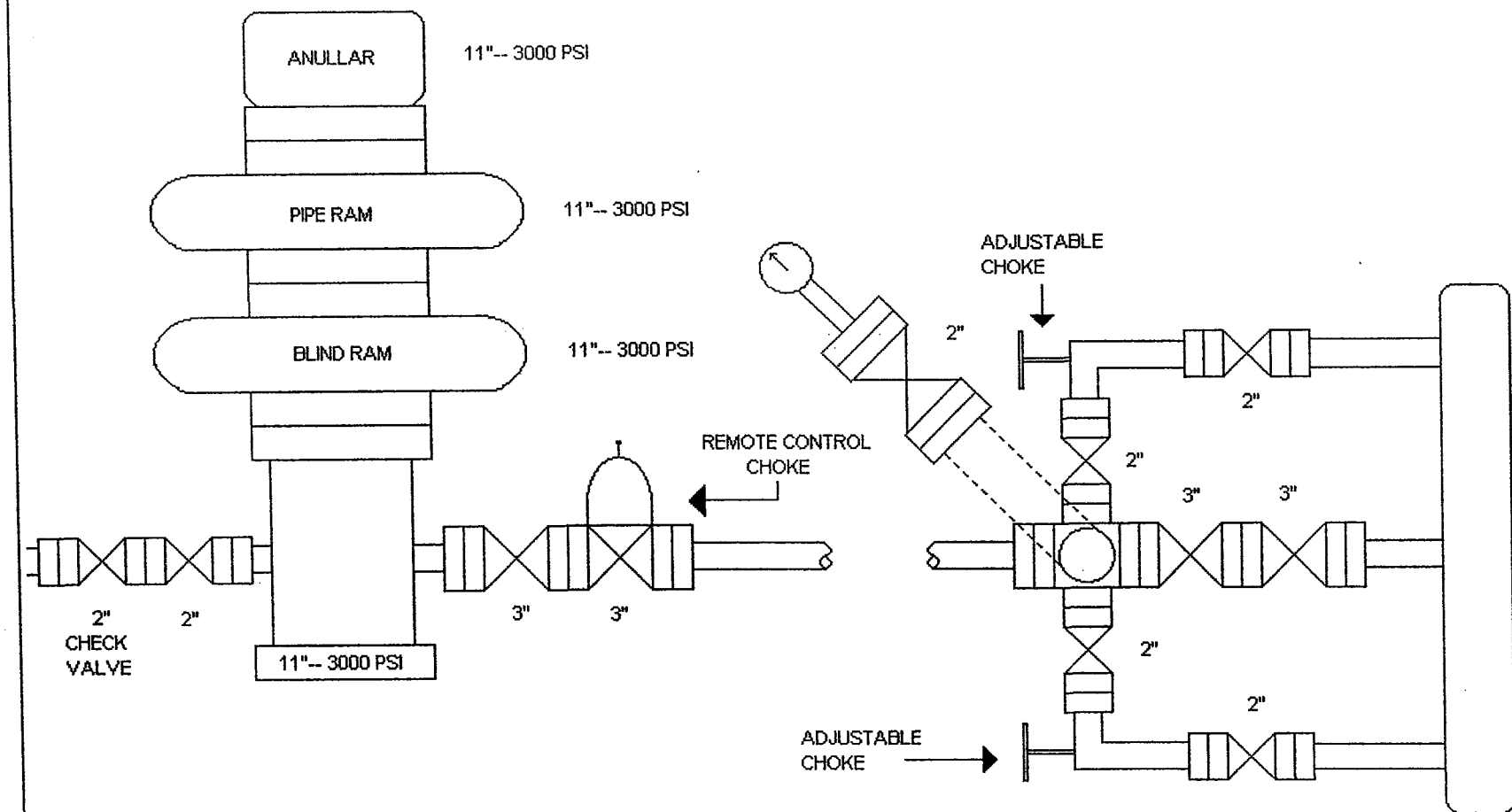
Type	Interval
DLL/SFL W/GR and SP	T.D. to Surf. Csg
FDC/CNL W/GR and CAL	T.D. to Surf. Csg

9. Abnormalities (including sour gas):

No abnormal pressures, temperatures or other hazards are anticipated. Oil and gas shows are anticipated in the Wasatch Formation. Other wells drilled in the area have not encountered over pressured zones or H₂S.

10. Drilling Schedule:

The anticipated starting date is September 1, 1998. Duration of operations expected to be 30 days.



LONE MOUNTAIN PRODUCTION COMPANY

13 POINT SURFACE USE PLAN

FOR WELL

HANGING ROCK S 44-2

HANGING ROCK UNIT

LOCATED IN

SE 1/4, SE 1/4

SECTION 2, T. 12 S., R. 23 E., U.S.B.&M.

UINTAH COUNTY, UTAH

LEASE NUMBER: UT ML-42215

SURFACE OWNERSHIP: STATE OF UTAH and FEDERAL

1. Existing Roads

To reach the **Lone Mountain Production Co. well H.R. State S 44-2, in Section 2, T 12 S, R 23 E**, from Bonanza, Utah:

Starting in Bonanza, Utah proceed south on the paved road for 4 miles. Turn south (left) on the Book Cliffs road (dirt road). Proceed south 3.9 miles to the Greeks Corrals. Turn west (right) at the fork in the road. Proceed 8.3 miles to the Asphalt Wash sign. Stay to the south (left) of the sign. Proceed .7 miles to the Rainbow sign. Stay to the west (right) of the sign. This is also called the Kings Wells road. Proceed 7.8 miles turn south (left) at the fork in the road. Proceed 1 mile. Turn west (right) on an existing oil field access road. Proceed .6 miles. The proposed access road will start at this point.

All existing roads to the proposed location are State or County Class D roads.

Please see the attached map for additional details.

2. Planned access road

The proposed location will require approximately **3600 feet of new road** construction.

The road will be built to the following standards:

A) Approximate length	3600 Ft.
B) Right of Way width	30 Ft.
C) Running surface	18 Ft.

D) Surfacing material	Native soil
E) Maximum grade	5%
F) Fence crossing	None
G) Culvert	None
H) Turnouts	None
I) Major cuts and fills	None
J) Road flagged	Yes
K) Access road surface ownership	Federal & State of Utah
L) All new construction on lease	No
M) Pipe line crossing	None

Please see the attached location plat for additional details.

A right of way will be required. The first 2,500' of new construction will be on Federal Lands. All surface disturbance for the road and location will be within the Unit boundary.

3. Location of existing wells

The following wells are located within a one mile radius of the location site.

A) Producing well	HR Fed. 11-6 Sec. 11, T12S, R23E
B) Water well	None
C) Abandoned well	None
D) Temp. abandoned well	None
E) Disposal well	None
F) Drilling/Permitted well	HR Fed. 1-4 Sec. 1, T12S, R23E
G) Shut in wells	None
H) Injection well	None
I) Monitoring or observation well	None

Please see the attached map for additional details.

4. Location of tank batteries, production facilities, and production gathering service lines.

All production facilities are to be contained within the proposed location site. Please see the attached plat plan for a typical gas well separator installation and well site piping.

All permanent (on site for more than six months or longer) structures constructed or installed will be painted a **Juniper Green** color. Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded. The required paint color is **Juniper Green**.

All tanks will be surrounded by a dike of sufficient capacity to contain the storage capacity of the largest tank in the battery. The integrity of the dike will be maintained.

The operator will adhere to all site security guidelines and regulations identified in 43 cfr 3126.7.

All off lease storage, off lease measurement, commingling on lease or off lease, of production, will have prior written approval from the authorized officer.

A proposed surface gas line will be required. Two alternatives have been proposed.

Alternative one would be constructed and tie into a proposed line located at the HR Fed. 11-6. The line would follow the proposed access road and there will be no additional surface disturbance required for the

installation of the gathering line. Approximately 2500' of 2" or 4" gathering line would be constructed on Federal lands.

Alternative two would be constructed and tied into the existing 10" line. The line would be welded together on the location and pulled with a small cat to the tie in point. Approximately 1200' of 2" or 4" gathering line will be constructed on Federal lands.

Please see the attached location diagrams for pipe line location. There will be no additional surface disturbances required for the installation of a gathering line.

The gas meter run will be located within 500' of the well head. The gas line will be buried or anchored down from the well head to the meter. Meter runs will be housed and/or fenced.

The gas meter will be calibrated and the tank strapped in place prior to any deliveries. Tests for meter accuracy will be conducted monthly for the first three months on new meter installations and at least quarterly thereafter. The authorized officer will be provided with a date and time for the initial meter calibration and all future meter proving schedule. A copy of the meter calibration report will be submitted to the BLM's Vernal District office. All measurement facilities will conform to API (American Petroleum Institute) and AGA (American Gas Association) standards for gas and liquid hydrocarbon measurement.

5. Location and type of water supply

Water for drilling and cementing the subject well will be hauled by truck from Rosewoods water station in Section 13, T11S, R23E. A second location may be used. It would be Evacuation Creek permit # 49-1595. The Evacuation Creek distribution point is in Section 7, T11S, R25E. Water for completion will come from the same supply or Vernal City.

6. Source of construction materials

All construction material for this location site and access road shall be borrow material accumulated during construction of the location site and access road. Additional road gravels or pit lining material will be obtained from private sources.

7. Methods for handling waste disposal

A) Pit construction and liners:

The reserve pit will be approximately 10 ft. deep and most of the depth shall be below the surface of the existing ground. Please see the attached plat for details.

The reserve pit will not be lined unless the pit is blasted or soil conditions would warrant a pit liner.

The reserve pit will not be used to store water for drilling. A semi-closed system will be used to drill the well. All fresh water for drilling will come from a frac tank placed on location and from the rig tank. The pit will be used to hold non-

flammable materials such as cuttings, salt, drilling fluids, chemicals, produced fluids, etc.

B) Produced fluids:

Produced water will be confined to the reserve pit, or if deemed necessary, a storage tank for a period not to exceed 90 days after initial production. During the 90 day period an application for approval for a permanent disposal method and location will be submitted to the authorized officer.

C) Garbage:

A trash cage fabricated from expanded metal will be used to hold trash on location and will be removed to an authorized land fill location.

D) Sewage:

A portable chemical toilet will be supplied for human waste.

E) Site clean-up:

After the rig is moved off the location the well site area will be cleaned and all refuse removed.

8. Ancillary facilities

There are no ancillary facilities planned at this time and none are foreseen for the future.

9. Well-site layout

Location dimensions are as follow:

A) Pad length **325 ft.**

B) Pad width	155 ft.
C) Pit depth	10 ft.
D) Pit length	180 ft.
E) Pit width	50 ft.
F) Max cut	6.4 ft.
G) Max fill	8.9 ft.
H) Total cut yds.	7,520 cu. yds.
I) Pit location	South side
J) Top soil location	south west corner
K) Access road location	west side
L) Flare pit	corner B

Please see the attached location diagram for additional details.

All pits will be fenced according to the following minimum standards:

- A) Thirty nine inch net wire shall be used with at least one strand of wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.
- B) The net wire shall be no more than 2 inches above the ground. The barbed wire shall be 3 inches above the net wire. Total height of the fence shall be at least 42 inches.
- C) Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.
- D) Standard steel, wood or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16 ft.
- E) All wire shall be stretched by using a stretching device before it is attached to the corner posts.

10. Plans for restoration of the surface

Prior to construction of the location, the top 6 inches of soil material will be stripped off the location and the pit area. The topsoil removed and piled will amount to approximately 1,000 cubic yards of material. **Topsoil will be stockpiled in one distinct pile.**

Placement of the topsoil is noted on the attached location plat. **The topsoil pile from the location will be seeded as soon as the soil is stock piled** with the seed mix listed. When all drilling and completion activities have been completed and the pit back-filled the topsoil from the pit area will be spread on the pit area. **The pit area will be seeded when the soil has been spread.** The unused portion of the location (the area outside the dead men.) will be recontoured

The dirt contractor will be provided with an approved copy of the surface use plan prior to construction activities.

Changes to the drainage during the construction activities shall be restored to its original line of flow or as near as possible when the pit is back-filled

All disturbed areas will be recontoured to the approximate natural contours. Prior to back filling the pit the fences around the reserve pit will be removed.

The reserve pit will be reclaimed within 90 days of well completion. If the reserve pit has not dried sufficiently to allow back filling, an extension on the time requirement for back filling the pit will be requested. Once reclamation activities have begun, they shall be completed within 30 days.

After the reserve pit has been reclaimed, no depressions in the soil covering the reserve pit will be allowed. The objective is to keep seasonal rain fall and run off from seeping into the soil used to cover the reserve pit. Diversion ditches and water bars will be used to divert run off as needed.

When restoration activities have been completed, the location site and new access road cuts and shoulders shall be reseeded. Prior to reseeding, all disturbed areas will be scarified and left with a rough surface.

A) Seeding dates:

Seed will be spread when the top soil is stock piled and when reclamation work is performed.

The seed mix and quantity list will be used whether the seed is broadcast or drilled.

B) Seed Mix

Four wing salt brush	4#/acre
Shad scale	3#/acre
Needle & thread grass	3#/acre
Western wheat grass	2#/acre

At such time as the well is plugged and abandoned the operator will submit a surface reclamation plan to the surface management agency for prescribed seed mixture and reseeding requirements.

11. Surface ownership:

Access road	Federal & State of Utah
Location	State of Utah
Pipe line	Federal &

State of Utah

12. Other information

A) Vegetation:

The vegetation coverage is slight. The majority of the existing vegetation consists of sage brush. Rabbit brush, bitter brush and Indian rice grass are also found on the location.

B) Dwellings:

There are no dwellings or other facilities within a one mile radius of the location.

C) Archeology:

The location has not been surveyed. A copy of that survey will be forwarded to your office.

If, during operations, any archaeological or historical sites, or any objects of antiquity (subject to the antiquities act of June 8, 1906) are discovered, all operations which would effect such sites will be suspended and the discovery reported promptly to the surface management agency.

D) Water:

The nearest water is the Green River located 4 miles to the north.

E) Chemicals:

No pesticides, herbicides or other possible hazardous chemicals will be used without prior application.

F) Notification:

- a) **Location construction**
At least forty eight (48) hours
prior to construction of location
and access roads
- b) **Location completion**
Prior to moving on the drilling
rig.
- c) **Spud notice**
At least twenty-four (24) hours
prior to spudding the well.
- d) **Casing string and cementing**
At least twenty-four (24) hours
prior to running casing and
cementing all casing strings.
- e) **BOP and related equipment
tests**
At least twenty-four (24) hours
prior to initial pressure tests.
- f) **First production notice**
Within five (5) business days
after the new well begins, or
production resumes after well has
been off production for more than
ninety 90 days.

H) Flare pit:

The flare pit will be located in corner
B of the reserve pit out side the pit
fence and 100 feet from the bore
hole on the **south side of the
location**. All fluids will be removed
from the pit within 48 hours of
occurrence.

**13. Lessees or Operator's representative
and certification**

A) Representative

William A. Ryan

Rocky Mountain Consulting
350 South 800 East
Vernal, Utah 84078

Office	435-789-0968
Fax	435-789-0970
Cellular	435-828-0968

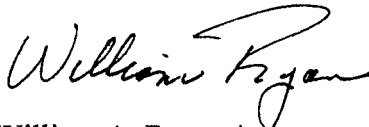
All lease and/or unit operations will
be conducted in such a manner that
full compliance is made with all
applicable laws, regulations, onshore
oil and gas orders, the applicable
laws, regulations, and any applicable
notices to lessees. The operator is
fully responsible for the actions of
his subcontractors. A copy of these
conditions will be furnished to the
field representative to ensure
compliance.

This drilling permit will be valid for
a period of one year from the date of
approval. After permit termination,
a new application will be filed for
approval for any future operations.

B) Certification

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill-site and access route, that I am familiar with the conditions which presently exist, that the statements made in this plan are, to the best of my knowledge and belief, true and correct, and that the work associated with the operation proposed herein will be performed by **Lone Mountain Production Company** and its contractors and subcontractors in conformity with this plan and terms and conditions with this plan and the terms and conditions under which it is approved.

Date June 11, 1998



William A. Ryan, Agent
Rocky Mountain Consulting

Onsite Date:

Statement of use of Hazardous Material

No chemical(s) from the EPA's Consolidated list of Chemicals subject to Reporting under Title III of the Superfund Amendments and Reauthorization, Act (SARA) of 1986.

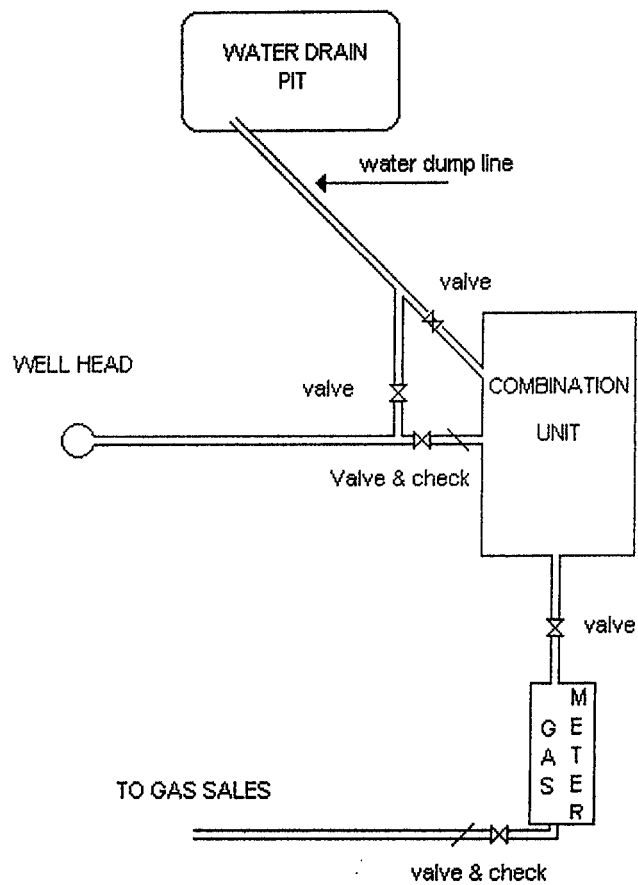
Will be used, produced, transported, stored, disposed, or associated with the proposed action, No extremely hazardous substances, as defined in 40 cfr 355, will be used, produced, stored, transported, disposed, or associated with the proposed action.

If you require additional information please contact:

William A Ryan
Agent for Lone Mountain Production Company
Rocky Mountain Consulting
350 S. 800 E.
Vernal Utah, 84078

Telephone
(435) 789-0968 office
(435) 828-0968 cellular
(435) 789-0970 fax

LONE MOUNTAIN
TYPICAL
GAS WELL

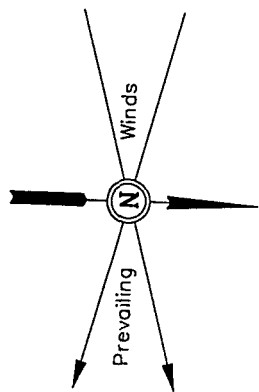


LONE MOUNTAIN PRODUCTION

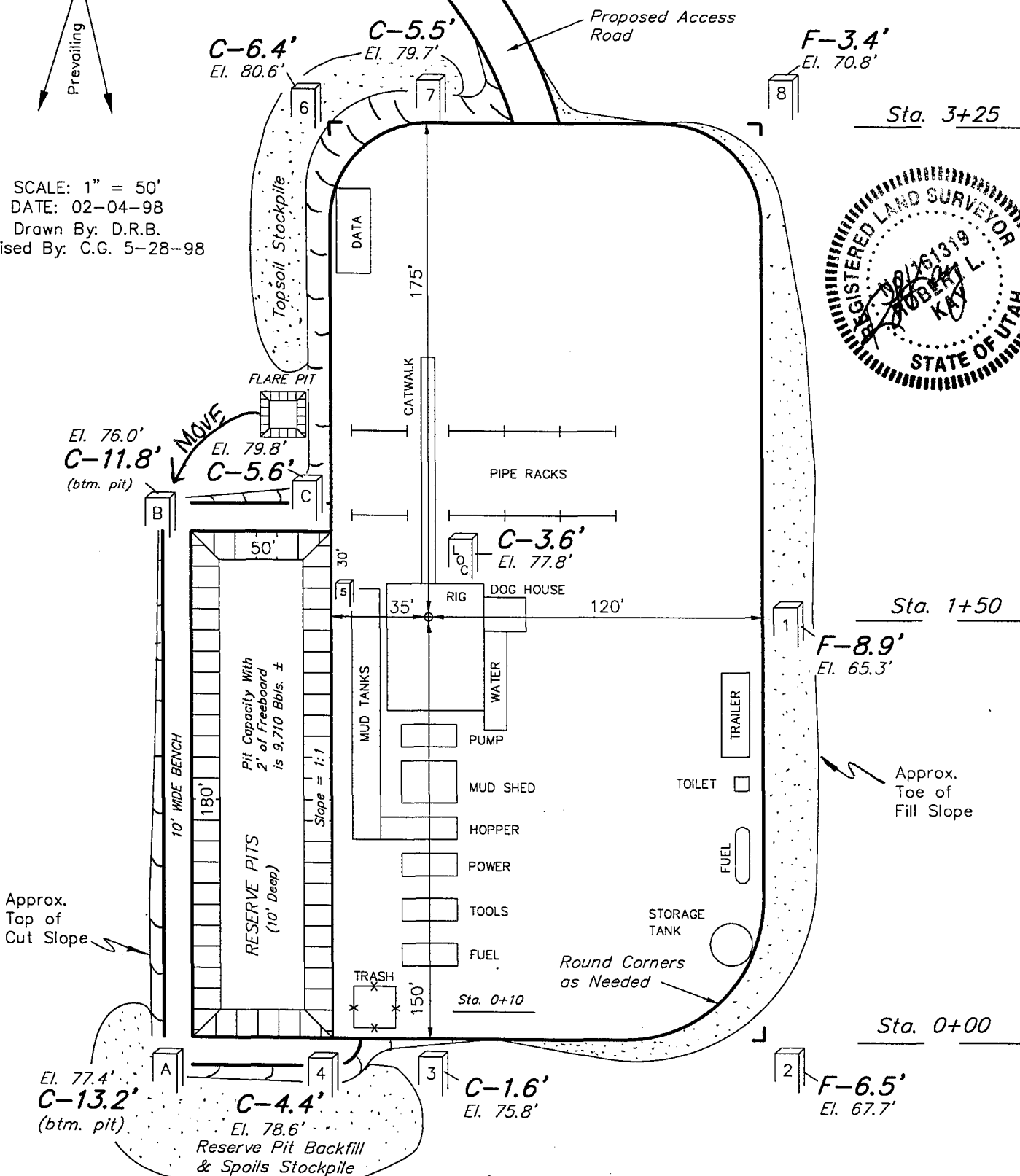
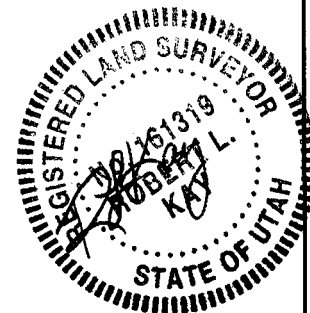
LOCATION LAYOUT FOR

HANGING ROCK STATE S #44-2
SECTION 2, T12S, R23E, S.L.B.&M.

580' FSL 651' FEL



SCALE: 1" = 50'
DATE: 02-04-98
Drawn By: D.R.B.
Revised By: C.G. 5-28-98



Elev. Ungraded Ground at Location Stake = **5977.8'**

Elev. Graded Ground at Location Stake = **5974.2'**

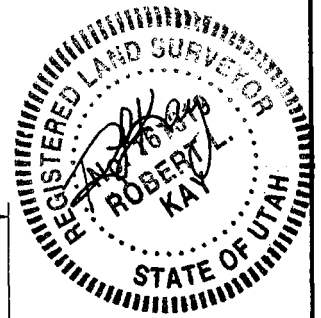
UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East • Vernal, Utah 84078 • (435) 789-1017

LONE MOUNTAIN PRODUCTION

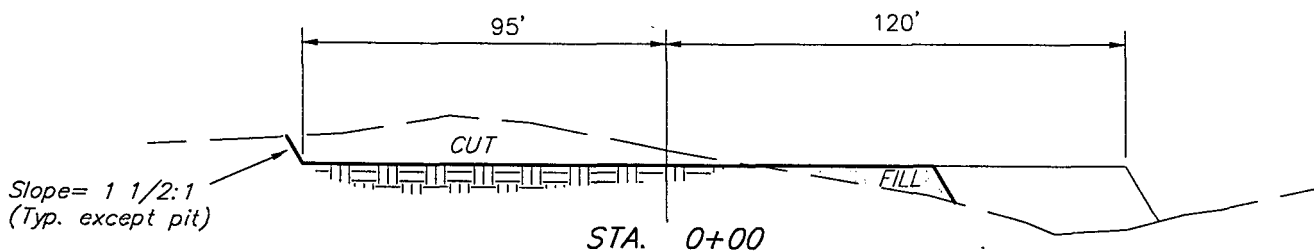
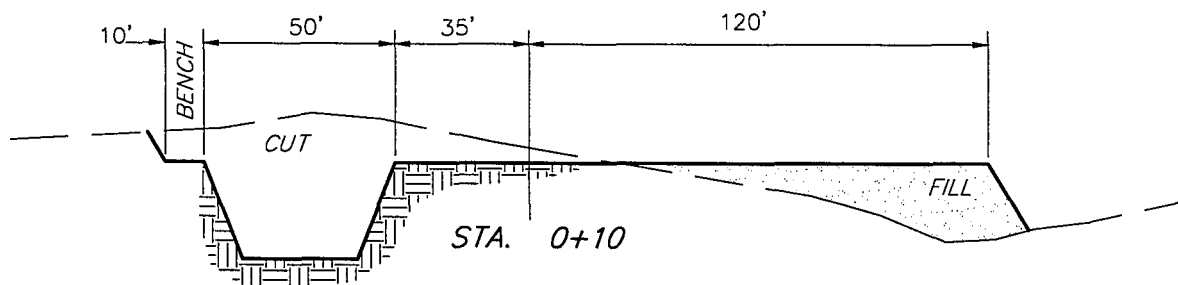
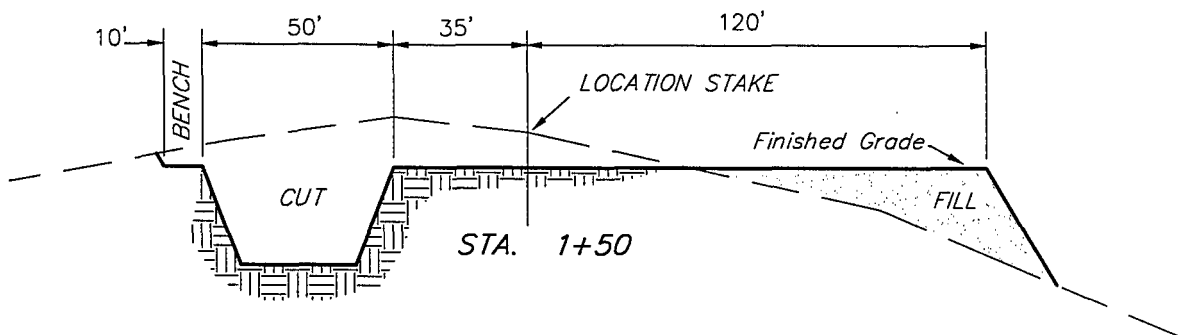
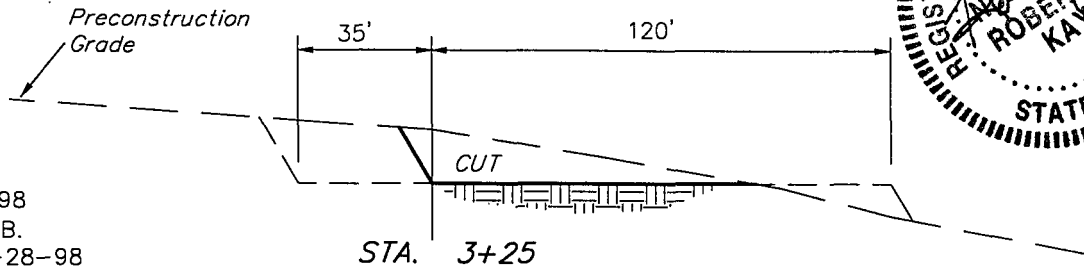
TYPICAL CROSS SECTIONS FOR

HANGING ROCK STATE S #44-2
SECTION 2, T12S, R23E, S.L.B.&M.
580' FSL 651' FEL

1" = 20'
X-Section
Scale
1" = 50'



DATE: 02-04-98
Drawn By: D.R.B.
Revised By: C.G. 5-28-98



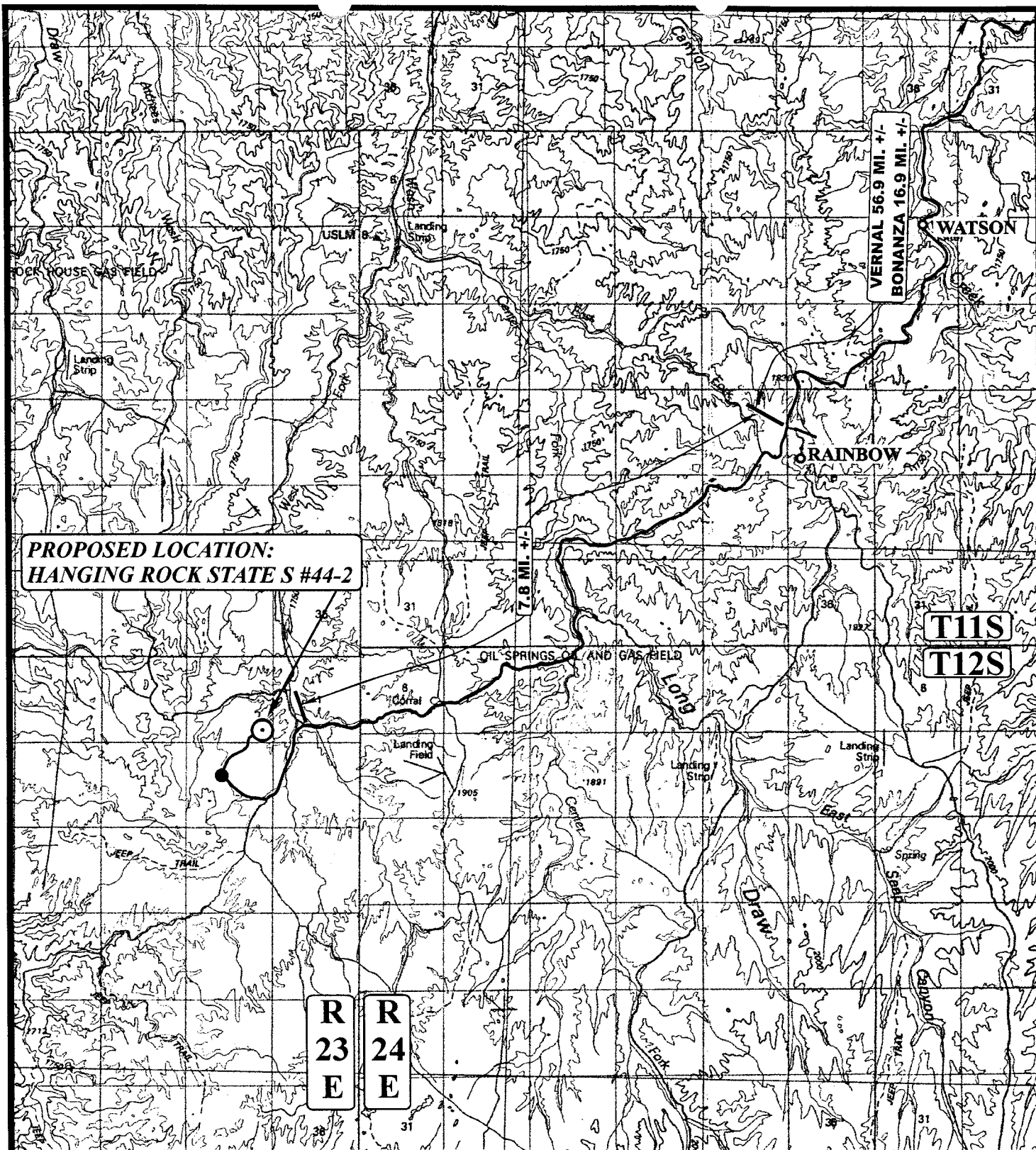
APPROXIMATE YARDAGES

(6") Topsoil Stripping = 1,100 Cu. Yds.
Remaining Location = 6,520 Cu. Yds.

TOTAL CUT = 7,620 CU.YDS.
FILL = 5,000 CU.YDS.

EXCESS MATERIAL AFTER
5% COMPACTION = 2,360 Cu. Yds.
Topsoil & Pit Backfill = 2,360 Cu. Yds.
(1/2 Pit Vol.)
EXCESS UNBALANCE = 0 Cu. Yds.
(After Rehabilitation)

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017



LEGEND:

○ PROPOSED LOCATION



LONE MOUNTAIN PRODUCTION

HANGING ROCK STATE S #44-2
SECTION 2, T12S, R23E, S.L.B.&M.
580' FSL 651' FEL



Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC
MAP

2 2 98
MONTH DAY YEAR

SCALE: 1: 100,000 DRAWN BY: C.G. REVISED: 5-28-98



Utah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

T12S

R
23
E

**PROPOSED LOCATION:
HANGING ROCK STATE S #44-2**

TIE-IN POINT BM 5887 X

**PROPOSED ALT #2
PIPELINE**

PROPOSED ACCESS ROAD

EXISTING PIPELINE

**PROPOSED
ALT #1 PIPELINE**

TIE-IN POINT

**PROPOSED
HRF #11-6**

APPROXIMATE TOTAL PIPELINE DISTANCE ALT #2 = 1650' +/-

APPROXIMATE TOTAL PIPELINE DISTANCE ALT #1 = 3500' +/-

LEGEND:

- — — — — EXISTING PIPELINE
- - - - - PROPOSED PIPELINE
- — — — — PROPOSED ACCESS

LONE MOUNTAIN PRODUCTION

**HANGING ROCK STATE S #44-2
SECTION 2, T12S, R23E, S.L.B.&M.
580' FSL 651' FEL**



Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

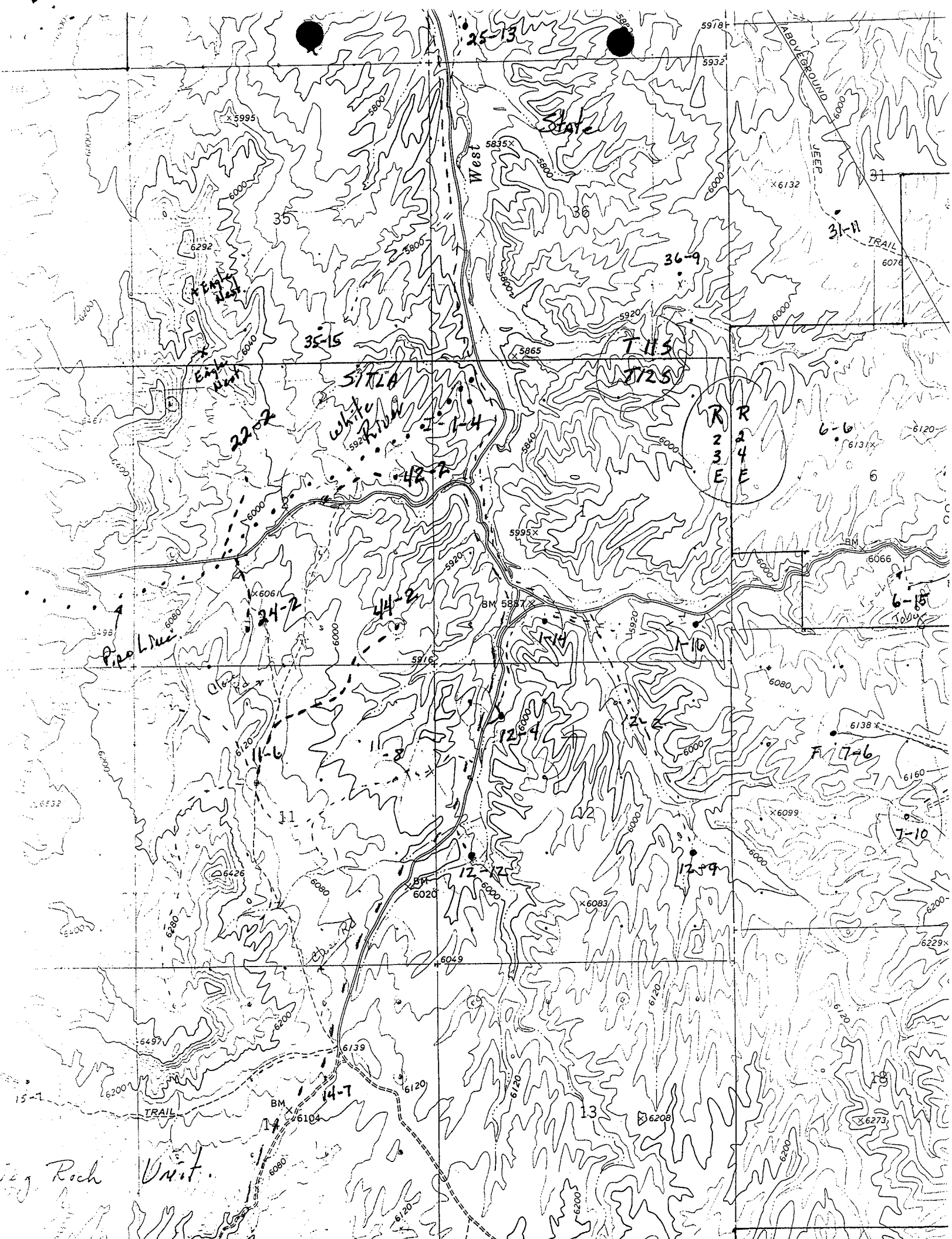


**TOPOGRAPHIC
MAP**

2 2 98
MONTH DAY YEAR

SCALE: 1" = 1000' DRAWN BY: C.G. REVISED: 5-28-98

C
TOPO



WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 06/12/98

API NO. ASSIGNED: 43-047-33130

WELL NAME: H R STATE S 44-2
OPERATOR: LONE MOUNTAIN PROD CO (N7210)
CONTACT: Bill Ryan (435) 789-0968

PROPOSED LOCATION:
SESE 02 - T12S - R23E
SURFACE: 0580-FSL-0651-FEL
BOTTOM: 0580-FSL-0651-FEL
UINTAH COUNTY
UNDESIGNATED FIELD (002)

LEASE TYPE: STA
LEASE NUMBER: ML-42215
SURFACE OWNER: State

INSPECT LOCATION BY: 06/27/98

TECH REVIEW	Initials	Date
Engineering	<u>RJK</u>	<u>2-25-99</u>
Geology		
Surface		

PROPOSED FORMATION: WSTC

RECEIVED AND/OR REVIEWED:

☒ Plat
☒ Bond: Federal ☐ State ☒ Fee ☐
(No. 930010C)
☒ Potash (Y/N)
☒ Oil Shale (Y/N) *190-5(B)
☒ Water Permit
(No. Rosewoods Wtr. Station & 49-1595)
☒ RDCC Review (Y/N)
(Date: _____)
N/A Fee Surf Agreement (Y/N)

LOCATION AND SITING:

☐ R649-2-3. Unit Hanging Rock
☒ R649-3-2. General
☐ R649-3-3. Exception
☐ Drilling Unit
Board Cause No: _____
Date: _____

COMMENTS: * Presite conducted 7-15-98.STIPULATIONS: ① STATEMENT OF BASIS



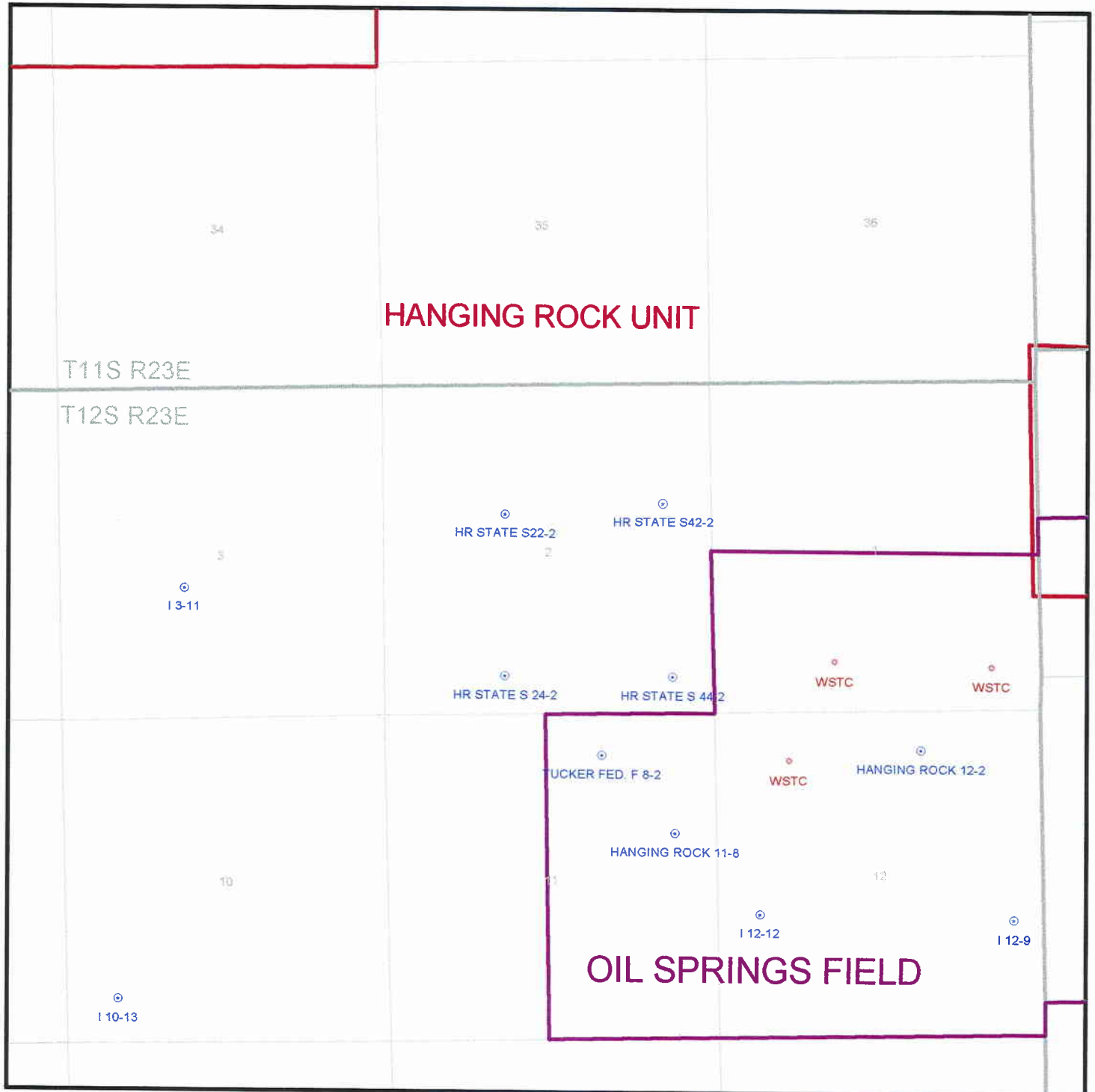
DIVISION OF OIL, GAS & MINING

OPERATOR: LONE MOUNTAIN PROD. (N7210)

FIELD: ~~NATURAL BUTTES (630)~~ *Undesignated (002)*

SEC. 2, TWP 12S, RNG 23E

COUNTY: UINTAH UAC: R649-2-3 HANGING ROCK



DATE PREPARED:
15-JUNE-1998

DIVISION OF OIL, GAS AND MINING
APPLICATION FOR PERMIT TO DRILL
STATEMENT OF BASIS

Operator Name: Lone Mountain Production Company

Name & Number: H.R. State S 44-2 **API Number:** 43-047-33130

Location: 1/4, 1/4 SE SE **Sec.** 2 **T.** 12S **R.** 23E **COUNTY:** UINTAH

Geology/Ground Water:

This Permit calls for 300' of 95/8 36# casing. To date drilling in the area has not encountered any water at or near the surface. The closest known well is over two miles to the North. There are no points of diversion within 5280 feet of this location. The casing program for this well is consistent with the historic data in this area and should be sufficient to cover any zones of interest.

Reviewer: K. Michael Hebertson **Date:** 20-July-1998

Surface:

The location has been staked on a flat bench and poses little in the way of stability problems. The BLM has not been lining the reserve pits in this area unless it is necessary to blast in order to achieve the desired depth. The surface was remarkably barren of any signs of animal activity at all. At the time that the pre-site was scheduled personnel from SITLA and DWR were contacted and invited to attend, however there was no response from either of these invitations and those agencies did not appear at the designated place or time. Mr Ryan was asked about the restoration plan and he indicated that it was included as a way to stabilize the location until the time of abandonment, and was not meant to be the final abandonment reclamation for the site. He included the seed mixtures and amounts currently used by the BLM as an acceptable standard for the area. This intermediate reclamation will be done at the time the well is placed on production. The access road was moved about 1/4 mile North.

Reviewer: K. Michael Hebertson **Date:** 20-July-1998

Conditions of Approval/Application for Permit to Drill:

1. A berm will be placed at the toe of the fill slope to catch runoff.
2. A liner will be used in the pit if it is blasted.
3. Soil stock piles will be reseed at the time the well is placed on Production.
4. The two track Jeep trail leading North of the point of departure will be ripped and made impassible.

Well name:	Lone Mountain HR State S 44-2	
Operator:	Lone Mountain	
String type:	Surface	Project ID: 43-047-32045 3130
Location:	Uintah Co.	

Design parameters:
Collapse

Mud weight: 8.500 ppg
Design is based on evacuated pipe.

Minimum design factors:
Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 79 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 300 ft

Cement top: Surface

Burst

Max anticipated surface pressure: -3,418 psi
Internal gradient: 11.844 psi/ft
Calculated BHP 132 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Tension is based on buoyed weight.
Neutral point: 262 ft

Non-directional string.

Re subsequent strings:

Next setting depth: 7,500 ft
Next mud weight: 9.500 ppg
Next setting BHP: 3,701 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 7,500 ft
Injection pressure 7,500 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	300	9.625	36.00	J-55	ST&C	300	300	8.796	21.3
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	132	2020	15.26	132	3520	26.59	9	394	41.76 J

Prepared RJK
by: State of Utah

Phone: 538-5274
FAX:

Date: February 25, 1999
Salt Lake City, Utah

ENGINEERING STIPULATIONS: NONE

Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.
Collapse is based on a vertical depth of 300 ft, a mud weight of 8.5 ppg. The casing is considered to be evacuated for collapse purposes.
Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

Well name:	Lone Mountain HR State S 44-2	
Operator:	Lone Mountain	Project ID:
String type:	Production	43-047-32045-3130
Location:	Uintah Co.	

Design parameters:
Collapse

Mud weight: 8.500 ppg
Design is based on evacuated pipe.

Minimum design factors:
Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 145 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 1,500 ft

Cement top: 898 ft

Burst

Max anticipated surface pressure: 1,608 psi
Internal gradient: 0.120 psi/ft
Calculated BHP 2,208 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Non-directional string.

Tension is based on buoyed weight.

Neutral point: 4,364 ft

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	5000	4.5	11.60	J-55	LT&C	5000	5000	3.875	115.9
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	2208	4960	2.25	2208	5350	2.42	51	162	3.20 J

Prepared RJK
by: State of Utah

Phone: 538-5274
FAX:

Date: February 25, 1999
Salt Lake City, Utah

ENGINEERING STIPULATIONS: NONE

Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

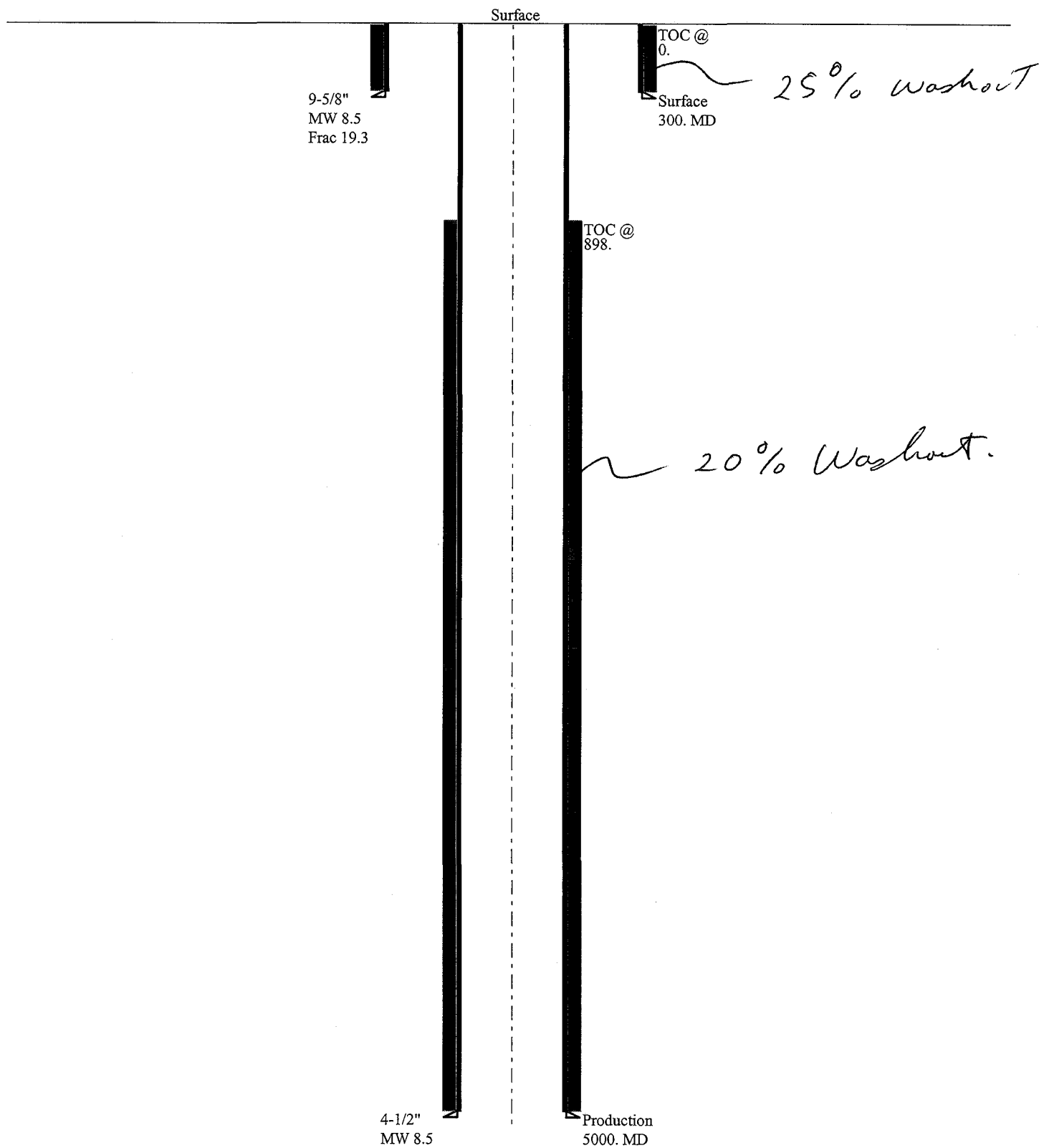
Collapse is based on a vertical depth of 5000 ft, a mud weight of 8.5 ppg. The casing is considered to be evacuated for collapse purposes.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

Lone Mountain HR State S 44-2

Casing Schematic



State of Utah
On-Site Evaluation
Division of Oil, Gas and Mining

OPERATOR: Lone Mountain Production Company

WELL NAME & NUMBER: H.R. State S 44-2

API NUMBER: 43-047-33130

LEASE: ML - 42215 **FIELD/UNIT:** Undesignated (002)

LOCATION: 1/4, 1/4 SE SE Sec: 2 TWP: 12S RNG: 23E 580 FSL 651 FEL

LEGAL WELL SITING: 460F SEC. LINE; 460F 1/4, 1/4 LINE; 920F ANOTHER WELL.

GPS COORD (UTM): 645371 E & 4406369 N

SURFACE OWNER: State Of Utah

PARTICIPANTS:

Mike Hebertson (DOGM), & Bill Ryan (Agent for Lone Mountain)

Byron Tolman, & Kim Bartell Vernal Area BLM

REGIONAL/LOCAL SETTING & TOPOGRAPHY:

Tavaputs Plateau, Northwest of the Roan Cliffs about 20 miles and South of the White River about 10 miles. The entire area drains North to the White River along the West Fork of Asphalt Wash which lies about 1 1/2 mile to the East. The surface is dominated by hills and canyon features that slope gently to the North with moderate to deeply incised canyon bottoms cut by the major streams draining toward the White River. Oil Field Roads bisect section 2 and several jeep trails already exist in the section. This location is on the East side of the jeep trail in section 2. The jeep trail will be upgraded and used as the access road for part of the distance to location.

SURFACE USE PLAN:

CURRENT SURFACE USE: Wildlife Habitat, and Winter Sheep Range

PROPOSED SURFACE DISTURBANCE: A drill pad and access road comprising Approximately 3.5 acres. Including pits and spoil piles.

LOCATION OF EXISTING WELLS WITHIN A 1 MILE RADIUS: Two Wasatch gas wells are located to the East Southeast of this location.

LOCATION OF PRODUCTION FACILITIES AND PIPELINES: Pipelines for this location will drop off the East side of location to the established line where a tie in already exists rather than follow the road all

other facilities will be placed on location.

SOURCE OF CONSTRUCTION MATERIAL: No materials will be transported to this site and all other cuts and fills will be of natural materials incident to the building of the well pad.

ANCILLARY FACILITIES: None

WASTE MANAGEMENT PLAN:

the plan filed with the APD has adequate provisions made for the handling of waste materials.

ENVIRONMENTAL PARAMETERS:

AFFECTED FLOOD PLAINS AND/OR WETLANDS: None noted

FLORA/FAUNA: Deer, Bear, Cougar, Bobcat, Elk, Pinon Juniper, Sage Bitter Brush, Greasewood, other indigenous plants and animals common to Western high plateau localities.

SOIL TYPE AND CHARACTERISTICS: Sandy clay light tan to buff in color. This is a deflation surface and most of the top soils have been blown away leaving broken rocks and gravels of the Uinta formation.

SURFACE FORMATION & CHARACTERISTICS: The surface is the Eocene age Uinta Formation, comprised mainly of mudstone and marlstone its similarity to the Duchesne River make the two almost identical.

EROSION/SEDIMENTATION/STABILITY: There is no Erosion, Sedimentation, or Stability problems with this site

PALEONTOLOGICAL POTENTIAL: None Noted

RESERVE PIT:

CHARACTERISTICS: 180 X 50 X 10' outboard of the location with a 20 X 20 X 10' deep flare pit attached to the reserve pit.

LINER REQUIREMENTS (Site Ranking Form attached): No liner will be required unless the pit is blasted in order to achieve the desired depth.

SURFACE RESTORATION/RECLAMATION PLAN:

A restoration plan was submitted as part of the APD along with seed mixtures and amounts per acre. Mr Ryan was informed that the State preferred to stipulate this requirement at the time of abandonment.

SURFACE AGREEMENT: This agreement is part of the Lease from the State of Utah

CULTURAL RESOURCES/ARCHAEOLOGY: completed and filed prior to the Pre-site

OTHER OBSERVATIONS/COMMENTS:

All of the road center line stakes had been removed, all of the pit stakes and the center stake had been removed for this pad. All of the corner pins were found however the road pins were not located.

As a result the assecc road will be moved from the original location and will leave the established two track about 1/4 mile north of the original point of departure. This will lessen the impact to the tree cover available to wildlife.

ATTACHMENTS:

Photos

K. Michael Hebertson
DOGM REPRESENTATIVE

July 15, 1998 1:30 PM
DATE/TIME

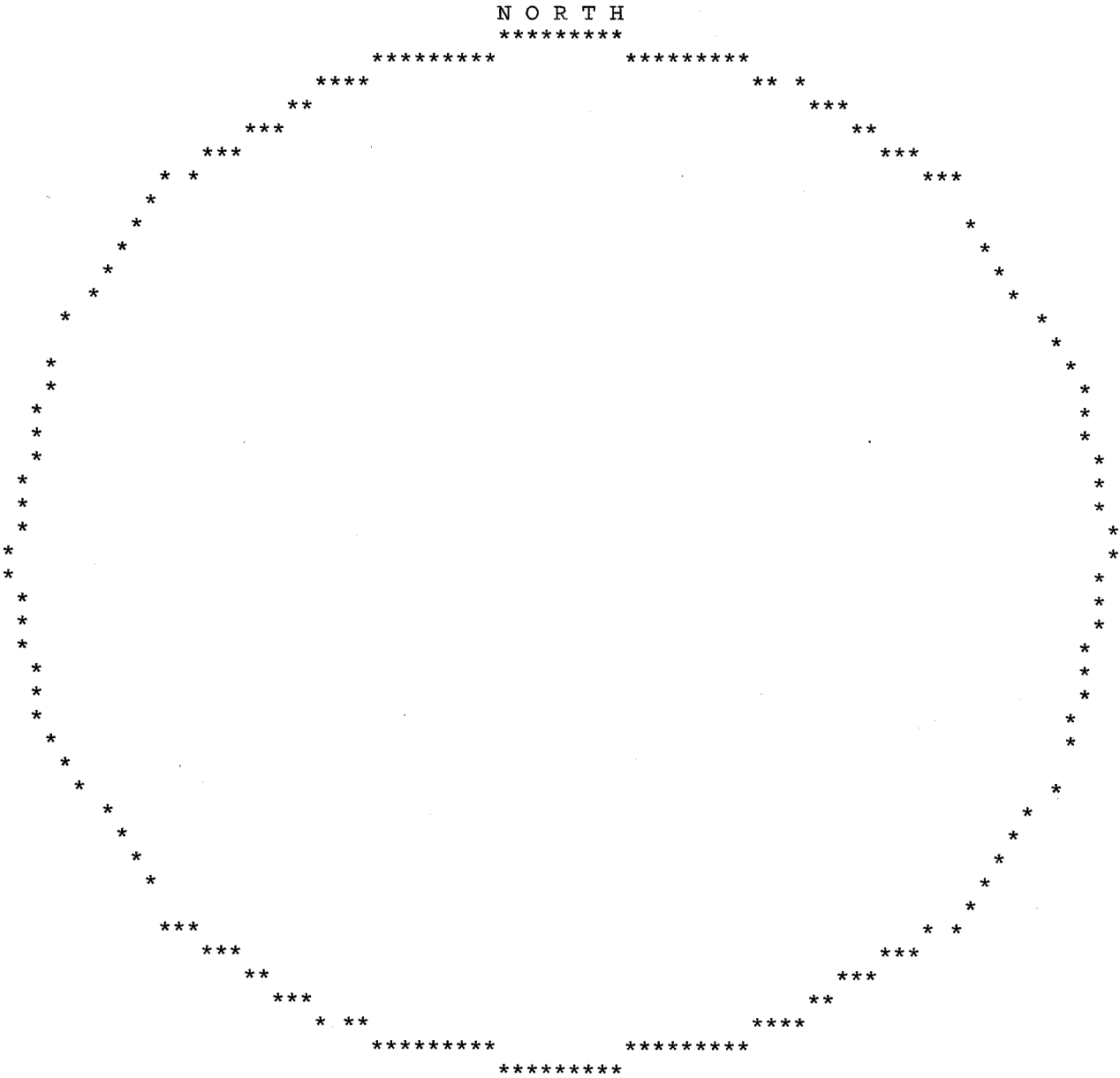
Evaluation Ranking Criteria and Ranking Score For Reserve and Onsite Pit Liner Requirements

<u>Site-Specific Factors</u>	<u>Ranking</u>	<u>Site Ranking</u>
Distance to Groundwater (feet)		
>200	0	
100 to 200	5	
75 to 100	10	
25 to 75	15	
<25. or recharge area	20	<hr/>
Distance to Surf. Water (feet)		
>1000	0	
300 to 1000	2	
200 to 300	10	
100 to 200	15	
< 100	20	<hr/>
Distance to Nearest Municipal Well (feet)		
>5280	0	
1320 to 5280	5	
500 to 1320	10	
<500	15	<hr/>
Distance to Other Wells (feet)		
>1320	0	
300 to 1320	10	
<300	20	<hr/>
Native Soil Type		
Low permeability	0	
Mod. permeability	10	
High permeability	20	<hr/> 10
Fluid Type		
Air/mist	0	
Fresh Water	5	
TDS >5000 and <10000	15	
TDS >10000 or Oil Base	20	
Mud Fluid containing high levels of hazardous constituents		<hr/> 5
Drill Cuttings		
Normal Rock	0	
Salt or detrimental	10	<hr/>
Annual Precipitation (inches)		
<10	0	
10 to 20	5	
>20	10	<hr/> 3
Affected Populations		
<10	0	
10 to 30	6	
30 to 50	8	
>50	10	<hr/>
Presence of Nearby Utility		
Conduits		
Not Present	0	
Unknown	10	
Present	15	<hr/>
Final Score (Level III Sensitivity)		<hr/> 18

UTAH DIVISION OF WATER RIGHTS
WATER RIGHT POINT OF DIVERSION PLOT CREATED MON, JUL 2
PLOT SHOWS LOCATION OF 0 POINTS OF DIV

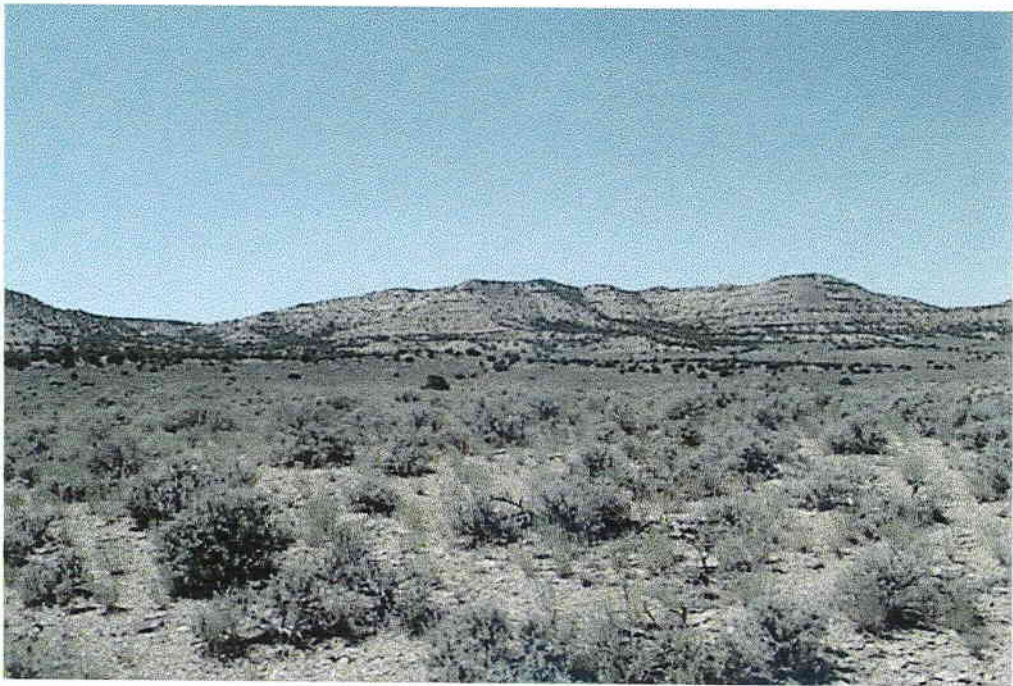
PLOT OF AN AREA WITH A RADIUS OF 5280 FEET
N 580 FEET, W 651 FEET OF THE SE CORNER,
SECTION 2 TOWNSHIP 12S RANGE 23E SL BASE

PLOT SCALE IS APPROXIMATELY 1 INCH = 2000 FE











003

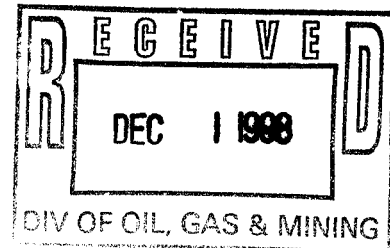
ROSEWOOD RESOURCES, INC.

Cityplace Center East

2711 N. Haskell Avenue, Suite 2800 LB#22

Dallas, TX 75204-2944

Fax No.: (214) 756-6666

Phone No.: (214) 756-~~6666~~ 6653**FAX COVER SHEET**

FROM:

Billy Washington

NO. OF PAGES (Including this Cover Sheet):

9

TO:

Lisha Cordova

FAX NO.:

FIRM:

PHONE NO.:

DATE:

12/1/98

SUBJECT:

MESSAGE:

Per Dave Koval @ White River Ent., I was
to Fax these to you Originals to
Follow. B. W. [Signature]

CONFIDENTIALITY NOTICE: The information contained in this facsimile transmission is confidential information which is intended only for the use of the recipient named above. If you receive this communication in error, you are hereby notified that any disclosure, copying, distribution or the taking of any action in reliance on the contents of this communication is strictly prohibited. If you have received a misrouted facsimile transmission, please notify the sender immediately by telephone. Thank you.

H-3180-1 UNITIZATION (EXPLORATORY)

FORMAT FOR A DESIGNATION OF AGENT

(SUBMIT IN TRIPLICATE)

The undersigned is, on the records of the Bureau of Land Management, Unit Operator under the Hanging Rock Unit Agreement, Uintah County, Utah No.UTU73518X, approved and effective on November 21, 1994

and hereby designates:

Lone Mountain Production Company
P O Box 3394
Billings, Montana 59103

as its agent, with full authority to act on its behalf in complying with the terms of the unit agreement and regulations applicable thereto and on whom the Authorized Officer or his representative may serve written or oral instructions in securing compliance with the oil and gas operating regulations with respect to drilling, testing, and completing Unit Well No.UT ML-42215 in the SE ¼ NE ¼ , Sec.2 T12S R23E (Statewide, Nationwide, Lessee) Bond No.UT0719.

It is understood that this Designation of Agent does not relieve the Unit Operator of responsibility for compliance with the terms of the unit agreement and the oil and gas operating regulations. It is also understood that this Designation of Agent does not constitute an assignment of any interest under the unit agreement or any lease committed hereto.

In case of default on the part of the designated agent, the Unit Operator will make full and prompt compliance with all regulations, lease terms, or orders of the Secretary of the Interior or his duly authorized representative.

The Unit Operator agrees promptly to notify the Authorized Officer of any change in the designated agent.

This Designation of Agent is deemed to be temporary and in no manner a permanent arrangement, and a designated agent may designate another party as agent.

H-3180 -1- UNITIZATION (EXPLORATORY)

This designation is given only to enable the agent herein designated to drill the above specified well. It is understood that this Designation of Agent is limited to the field operations performed while drilling and completing the specified authorization of the Unit Operator. The designation in no way will serve as authorization for the agent to conduct field operations for the specified well after it has been completed for production. Unless sooner appropriate office of the Bureau of Land Management all reports and a Well Application for Permit to Drill for the specified well.

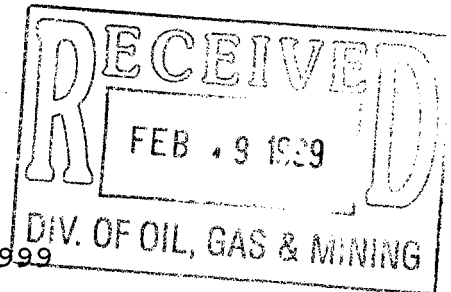
In the event the above specified well is completed as a non-paying unit well, the authority for the designated agent to operate this well shall be established by completion of the Delegation of Authority to Operate Non-paying Unit Well form and submittal of the form to the appropriate office of the Authorized Officer.

By: Gary E. Conrad *sw/gy*
Title: Gary E. Conrad
President

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, Utah 84145-0155



IN REPLY REFER TO:
3160
(UT-922)

February 18, 1999

Memorandum

To: Assistant District Manager Minerals, Vernal District
From: Michael Coulthard, Petroleum Engineer
Subject: 1999 Plan of Development Hanging Rock Unit
Uintah County, Utah.

Pursuant to email between Lisha Cordova, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management. The following wells are planned for calendar year 1999 within the Hanging Rock Unit, Uintah County, Utah by Lone Mountain (Rosewood Resources is the Unit Operator).

API #	WELL NAME	LOCATION
43-047-32845	H R STATE S 22-2	2027-FNL-1970-FWL 02 12S 23E
43-047-32870	H R STATE S 24-2	1317-FSL 1775-FWL 02 12S 23E
43-047-32940	H R STATE S 42-2	1907-FNL-0791-FEL 02 12S 23E
43-047-33130	H R STATE S 44-2	0580-FSL-0651-FEL 02 12S 23E

As of this date no designations of Agent have been filed with this office. Upon approval of the designations of Agent this office has no objection to permitting the well.

/s/ Michael L. Coulthard

bcc: File - Hanging Rock Unit
Division of Oil Gas and Mining
Agr. Sec. Chron
Fluid Chron

MCoulthard:mc:2-18-99



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Kathleen Clarke
Executive Director

Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801
801-538-5340
801-359-3940 (Fax)
801-538-7223 (TDD)

February 25, 1999

Lone Mountain Production Company
P.O. Box 3394
Billings, Montana 59103

Re: H.R. State S 44-2 Well, 580' FSL, 651' FEL, SE SE, Sec. 2, T. 12 S., R. 23 E.,
Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. 40-6-1 et seq., Utah Administrative Code R649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-33130.

Sincerely,

A handwritten signature in cursive script that reads "John R. Baza".

John R. Baza
Associate Director

lwp

Enclosures

cc: Uintah County Assessor
Bureau of Land Management, Vernal District Office

Operator: Lone Mountain Production Company

Well Name & Number: H.R. State S 44-2

API Number: 43-047-33130

Lease: State **Surface Owner:** State

Location: SE SE **Sec.** 2 **T.** 12 S. **R.** 23 E.

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for Permit to Drill.

2. Notification Requirements

Notify the Division of the following actions during drilling of this well:

- . 24 hours prior to cementing or testing casing
- . 24 hours prior to testing blowout prevention equipment
- . 24 hours prior to spudding the well
- . within 24 hours of any emergency changes made to the approved drilling program
- . prior to commencing operations to plug and abandon the well

Division contacts (please leave a voice mail message if person is not available to take the call):

- . Dan Jarvis at (801) 538-5338
- . Robert Krueger at (801) 538-5274 (plugging)
- . Carol Daniels at (801) 538-5284 (spud)

3. Reporting Requirements

All required reports, forms and submittals shall be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis (copy attached).

H-3180-1 UNITIZATION (EXPLORATORY)
FORMAT FOR A DESIGNATION OF AGENT
(SUBMIT IN TRIPLICATE)

The undersigned is, on the records of the Bureau of Land Management, Unit Operator under the Hanging Rock Unit Agreement, Uintah County, Utah No.UTU73518X, approved and effective on November 21, 1994

and hereby designates:

Lone Mountain Production Company
P O Box 3394
Billings, Montana 59103

as its agent, with full authority to act on its behalf in complying with the terms of the unit agreement and regulations applicable thereto and on whom the Authorized Officer or his representative may serve written or oral instructions in securing compliance with the oil and gas operating regulations with respect to drilling, testing, and completing Unit Well No.UT ML-42215 in the SE ¼ SE ¼, Sec.2 T12S R23E (Statewide, Nationwide, Lessee) Bond No.UT0719. #44-2 /43-047-33130

It is understood that this Designation of Agent does not relieve the Unit Operator of responsibility for compliance with the terms of the unit agreement and the oil and gas operating regulations. It is also understood that this Designation of Agent does not constitute an assignment of any interest under the unit agreement or any lease committed hereto.

In case of default on the part of the designated agent, the Unit Operator will make full and prompt compliance with all regulations, lease terms, or orders of the Secretary of the Interior or his duly authorized representative.

The Unit Operator agrees promptly to notify the Authorized Officer of any change in the designated agent.

This Designation of Agent is deemed to be temporary and in no manner a permanent arrangement, and a designated agent may designate another party as agent.

H-3180 -1- UNITIZATION (EXPLORATORY)

This designation is given only to enable the agent herein designated to drill the above specified well. It is understood that this Designation of Agent is limited to the field operations performed while drilling and completing the specified authorization of the Unit Operator. The designation in no way will serve as authorization for the agent to conduct field operations for the specified well after it has been completed for production. Unless sooner appropriate office of the Bureau of Land Management all reports and a Well Application for Permit to Drill for the specified well.

In the event the above specified well is completed as a non-paying unit well, the authority for the designated agent to operate this well shall be established by completion of the Delegation of Authority to Operate Non-paying Unit Well form and submittal of the form to the appropriate office of the Authorized Officer.

By: Gary E. Conrad *wewj*

Title: Gary E. Conrad
President

APPROVED - EFFECTIVE MAR 15 1999

fol Amad LaHond
CHIEF, BRANCH OF LBS LINTON
BUREAU OF LAND MANAGEMENT



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Kathleen Clarke
Executive Director

Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210

PO Box 145801

Salt Lake City, Utah 84114-5801

801-538-5340

801-359-3940 (Fax)

801-538-7223 (TDD)

August 28, 2000

Mr. William Ryan
Lone Mountain Production Company
P.O. Box 3394
Billings, Montana 59103

*Dave Gbol of White River (lessee)
called 8/30/2000. They forgot to
request an extension on this
permit. They want to drill it soon.
He will have lone mountain fax a
sundry requesting that the permit*

Re: APD Rescinded -- H R State 44-2 Well, Sec. 2, T. 12.0S, R. 23.0E, Uintah County, Utah,
API No. 43-047-33130

*be extended. Ignore this rescind
letter. DT 5 8/30/2000*

Gentlemen:

The Application for Permit to Drill for the subject well was approved by the Division of Oil, Gas and Mining on February 25, 1999. No drilling activity at this location has been reported to the division. Due to the excessive time delay in commencing drilling operations, approval to drill the well is hereby rescinded, effective immediately.

Please note that a new Application for Permit to Drill must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division of Oil, Gas and Mining immediately.

Sincerely,

Don Staley
Information Services Manager
Oil and Gas

cc: L.E. Cordova
Well File

LONE MOUNTAIN PRODUCTION COMPANY
100 NORTH 27TH STREET, SUITE 650
P. O. BOX 3394
BILLINGS, MONTANA 59103
PHONE: (406) 245-5077
FAX: (406) 248-6321

FAX

NAME Don Staley - DOGM *Carol*

FAX NO. 801-359-3940

FROM Carolyn George

DATE 8/30/2000

NO. OF PAGES INCLUDING THIS PAGE 2

ORIGINAL SENT YES X NO

REMARKS

Mr. Staley.

Per your request, as was discussed with Dave
Koval at White River. Please send the
approval to Lone Mountain.

Thank you.

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

008

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells.
Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such proposals.

1. Type of Well: OIL ☐ GAS ☒ OTHER:

2. Name of Operator:

Lone Mountain Production Company

3. Address and Telephone Number:

P. O. Box 3394, Billings, Montana 59103

Phone: (406) 245-5077

4. Location of Well

Footage: 580' FSL, 651' FEL

CQ Sec., T., R., M.: SESE Section 2: T12S-R23E

5. Lease Designation and Serial Number:

ML-42215

6. If Indian, Abode or Tribe Name:

7. Unit Agreement Name:

Hanging Rock

8. Well Name and Number:

State No. S 44-2

9. API Well Number:

43-047-33130

10. Field and Pool, or Wildcat:

County: Uintah

State: Utah

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

NOTICE OF INTENT
(Submit in Duplicate)

- ☐ Abandonment ☐ New Construction
☐ Casing Repair ☐ Pull or Alter Casing
☐ Change of Plans ☐ Recompletion
☐ Conversion to Injection ☐ Shoot or Acidize
☐ Fracture Treat ☐ Vent or Flare
☐ Multiple Completion ☐ Water Shut-Off
☒ Other APD Extension

Approximate date work will start _____

SUBSEQUENT REPORT
(Submit Original Form Only)

- ☐ Abandonment ☐ New Construction
☐ Casing Repair ☐ Pull or Alter Casing
☐ Change of Plans ☐ Shoot or Acidize
☐ Conversion to Injection ☐ Vent or Flare
☐ Fracture Treat ☐ Water Shut-Off
☐ Other _____

Date of work completion _____

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION AND LOG form.

* Must be accompanied by a cement verification report.

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Lone Mountain Production Company, as operator for White River Resource Management Inc.,
requests the extension of one year on the approved APD for the subject well.

If additional information is needed please contact the following:

Dave Koval
White River Resource Management Inc.,
Phone: (303) 628-1951

13.

Name & Signature:

James G. Bortson

Title: President

Date: 8/30/2000

This space for State use only

010

Dominion Exploration & Production, Inc.
Four Greenspoint Plaza
16945 Northchase Drive, Suite 1750, Houston, TX 77060-2133



January 24, 2001

State of Utah
Department of Natural Resources
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

Attention: Lisha Cordova

BOT 359-3940

RE: Extension for Drilling Permits

Dear Lisha:

Dominion Expl. & Prod., Inc. recently acquired the wells listed below. The records supplied to us indicate a number of active permits are due to expire soon. Therefore, we respectfully request an extension for the following permits:

<u>Permit No.</u>	<u>Well Name</u>	<u>Location</u>	<u>Lease No.</u>
43-047-33169	State M 42-2	Sec. 2-11S-23E	UT ML-47078
43-047-332845	H.R. State S 22-2	Sec. 2-12S-23E	UT ML-42215
43-047-32940	H.R. State S 42-2	Sec. 2-12S-23E	UT ML-42215
Lamar 43-047-33130	H.R. State S 44-2	Sec. 2-12S-23E	UT ML-42215
" 43-047-33172	State T 44-24	Sec. 24-12S-24E	UT ML-46103
Rosewood 43-047-33251	State L 23-16	Sec. 16-12S-23E	ML-46911

If you require additional information, please contact me at (281) 873-3692. Thank you for your assistance in this matter.

Sincerely,

DOMINION EXPL. & PROD., INC.

Diann Flowers
Diann Flowers
E&P Regulatory Specialist

Cc: Bureau of Land Management - Vernal
David Linger
Mitch Hall
Dick Easterwood
Well Files

JAN 29 2001
DIVISION OF
OIL, GAS AND MINING

WELL DATA

WELL SEARCH

WELL DATA

WELL HISTORY

WELL ACTIVITY

WELL NAME HR STATE S 44-2

API NUMBER 4304733130

WELL TYPE GW

WELL STATUS APD

OPERATOR DOMINION EXPL & PROD INC

ACCOUNT N1095

ALT. ADDRESS FLAG #

FIRST PRODUCTION

FIELD NAME UNDESIGNATED

FIELD NUMBER 2

LAIPA DATE

WELL LOCATION:

SURF LOCATION 0580 FSL 0651 FEL

Q. S. T. R. M. SESE 02 12.0 S 23.0 E S

COUNTY UINTAH

UTM Coordinates:

SURFACE - N 4406367.00

SURFACE - E 645306.00

BHL - N

BHL - E

CONFIDENTIAL FLAG

CONFIDENTIAL DATE

DIRECTIONAL | HORIZONTAL

HORIZONTAL LATERALS

FIELD TYPE E

WILDCAT TAX FLAG

CB-METHANE FLAG

ELEVATION 5978*

BOND NUMBER 76SG3050361

BOND TYPE 3

LEASE NUMBER ML-42215

MINERAL LEASE TYPE 3

SURFACE OWNER TYPE

INDIAN TRIBE

C.A. NUMBER

UNIT NAME

CUMULATIVE PRODUCTION:

OIL 0

GAS 0

WATER 0

COMMENTS 000830 1 YR APD EXT:000203 HANGING ROCK U CONTRACTED:010424 OP FR N7210 EFF 1-1-01:

Create New Rec

Save

Cancel Change

To History

To Activity

Print Record



LONE MOUNTAIN PRODUCTION COMPANY

Mailing Address:
P.O. Box 3394
Billings, MT 59103-3394

(406) 245-5077
FAX 248-6321

Shipping Address:
100 North 27th Street
Suite 650
Billings, MT 59101

April 20, 2001

State of Utah
Division of Oil, Gas & Mining
1594 West North Temple, Suite 1210
P. O. Box 145801
Salt Lake City, Utah 84114-5801

Attn: Leisha Cordova

RE: RESIGNATION OF OPERATOR
VARIOUS WELLS
UINTAH COUNTY, UTAH

Dear Leisha:

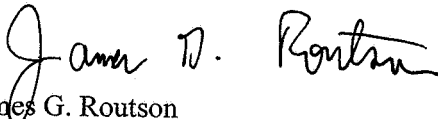
Please be advised Lone Mountain Production Company resigns as Operator of the attached list of wells in the referenced county, effective January 1, 2001.

All future correspondence should be directed to Diann Flowers, Dominion Exploration & Production Inc., 16945 Northchase Drive, Suite 1750, Houston, Texas 77060.

Should you have any questions or need further information, please contact our office at the letterhead address or phone number.

Sincerely,

LONE MOUNTAIN PRODUCTION COMPANY



James G. Routson
President

attachment

RECEIVED

APR 23 2001

DIVISION OF
OIL, GAS AND MINING

**RESIGNATION OF OPERATOR
LONE MOUNTAIN PRODUCTION COMPANY
UINTAH COUNTY, UTAH**

<u>Well Name</u>	<u>API No.</u>
State M 44-2	Pending
H. R. State S-24-2	Pending
State M 23-2	Pending
H. R. State S 44-2	43-047-33130
State L 23-16	43-047-33251 * Need Resig. fr. Rosewood
Federal N 31-21	43-047-33167
Federal T 31-11	43-047-33183
Federal N 11-7	43-047- 33248 33249 / Pending

APR 23 2001

DIVISION OF
OIL, GAS AND MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such purposes

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER: _____	5. LEASE DESIGNATION AND SERIAL NUMBER: ML-42215
2. NAME OF OPERATOR: DOMINION EXPLORATION & PRODUCTION, INC.	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 16945 NORTHCHASE DRIVE, SUITE 1750	7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SE SE Sec. 2, T12S, R23E	8. WELL NAME and NUMBER: H. R. STATE S 44-2
PHONE NUMBER: (281) 873-3692	9. API NUMBER: 43-047-33130
	10. FIELD AND POOL, OR WILDCAT:

COUNTY:
UINTAH
STATE:
UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REFERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input checked="" type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. (Clearly show all pertinent details including dates, depths, volumes, etc.)

Dominion Exploration & Production, Inc. has assumed operation of this lease from Lone Mountain Production Company, effective January 1, 2001. Bond coverage is provided by Dominion's nationwide bond #76S 63050 0330. Dominion's SITLA bond #76S 63050 361. Field operations will be handled out of Dominion's Roosevelt office. The contact person will be Mitch Hall. Dominion will assume responsibility under the terms and conditions of this lease for the operations conducted upon lease lands. Water Supply: water will be hauled from Sec. 9, T8S, R20E; Permit #43-10447. Alternative source is permit #49-11651.

RECEIVED

APR 23 2001

DIVISION OF
OIL, GAS AND MINING

NAME (PLEASE PRINT) Diann Flowers

TITLE Regulatory Specialist

SIGNATURE

Diann Flowers

DATE 04/20/2001

(This space for State use only)

OPERATOR CHANGE WORKSHEET

ROUTING

1. GLH		4-KAS
2. CDW	✓	5-7K ✓
3. JLT		6-FILE

Enter date after each listed item is completed

X Change of Operator (Well Sold)

Designation of Agent

Operator Name Change (Only)

Merger

009

The operator of the well(s) listed below has changed, effective: **1-1-2001**

FROM: (Old Operator):
LONE MOUNTAIN PRODUCTION COMPANY
Address: P. O. BOX 3394
BILLINGS, MT 59103-3394
Phone: 1-(406)-245-5077
Account N7210

TO: (New Operator):
DOMINION EXPLORATION & PRODUCTION INC
Address: 1450 POYDRAS ST 8TH FLOOR
NEW ORLEANS, LA 70112-6000
Phone: 1-(504)-593-7000
Account N1095

CA No.

Unit:

WELL(S)

NAME	API NO.	ENTITY NO.	SEC. TWN RNG	LEASE TYPE	WELL TYPE	WELL STATUS
H. R. STATE S 44-2	43-047-33130	99999	02-12S-23E	STATE	GW	APD

OPERATOR CHANGES DOCUMENTATION

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 04/23/2001
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 04/23/2001
- The new company has been checked through the **Department of Commerce, Division of Corporations Database** on: 04/24/2001
- Is the new operator registered in the State of Utah: YES Business Number: 852894-0143
- If **NO**, the operator was contacted on: _____
- Federal and Indian Lease Wells:** The BLM and or the BIA has approved the (merger, name change, or operator change for all wells listed on Federal or Indian leases on: N/A
- Federal and Indian Units:** The BLM or BIA has approved the successor of unit operator for wells listed on: N/A

8. **Federal and Indian Communization Agreements ("CA"):** The BLM or the BIA has approved the operator change for all wells listed involved in a CA on: N/A
9. **Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: N/A

DATA ENTRY:

1. Changes entered in the **Oil and Gas Database** on: 04/24/2001
2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 04/24/2001
3. Bond information entered in RBDMS on: N/A
4. Fee wells attached to bond in RBDMS on: N/A

STATE BOND VERIFICATION:

1. State well(s) covered by Bond No.: 76S63050361

FEE WELLS - BOND VERIFICATION/LEASE INTEREST OWNER NOTIFICATION:

1. (R649-3-1) The **NEW** operator of any fee well(s) listed has furnished a bond: N/A
2. The **FORMER** operator has requested a release of liability from their bond on: N/A
The Division sent response by letter on: N/A
3. (R649-2-10) The **FORMER** operator of the Fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: N/A

FILMING:

1. All attachments to this form have been **MICROFILMED** on:

FILING:

1. **ORIGINALS/COPIES** of all attachments pertaining to each individual well have been filled in each well file on: _____

COMMENTS:



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Kathleen Clarke
Executive Director

Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210

PO Box 145801

Salt Lake City, Utah 84114-5801

801-538-5340

801-359-3940 (Fax)

801-538-7223 (TDD)

April 27, 2001

Diann Flowers
Dominion Exploration & Production Inc.
16945 Northchase Drive, Suite 1750
Houston, Texas 77060-2133

Re: APD Extension – H R State S 44-2 – Sec. 2, T12S, R23E – Uintah County, Utah
API No. 43-047-33130

Dear Diann:

In response to your letter dated January 24, 2001 (copy enclosed), please be advised that your request for a one-year APD extension is approved for the referenced well.

The Division was unable to approve your request in January because Dominion E&P Inc. (Dominion) was not officially recognized as the operator of the well. Since that time the Division has received the necessary documentation from Lone Mountain and Dominion to approve the change of operator and your request for an extension.

Should you have any questions regarding this matter please contact me at (801)538-5296.

Sincerely,

A handwritten signature in cursive script that reads 'Lisha Cordova'.

Lisha Cordova
Engineering Technician

Enclosure

cc: Lone Mountain Production Co.
Bureau of Land Management/Vernal Office
Well File

012

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: UT ML-42215
2. NAME OF OPERATOR: Dominion Exploration & Production, Inc.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 14000 Quail Springs CITY Oklahoma City STATE OK ZIP 73134		7. UNIT or CA AGREEMENT NAME:
PHONE NUMBER: (405) 749-1300		8. WELL NAME and NUMBER: H.R. State S 44-2
4. LOCATION OF WELL FOOTAGES AT SURFACE: 651' FEL & 580' FSL		9. API NUMBER: 4304733130
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESE 2 12S 23E		10. FIELD AND POOL, OR WILDCAT:

COUNTY: Uintah

STATE:

UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: Extension of APD
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Dominion hereby requests a one year extension to the APD for the above referenced well.

Approved by the
Utah Division of
Oil, Gas and Mining

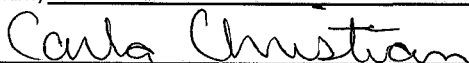
Date: 05-15-02

By: COPY SENT TO OPERATOR
Date: 05-15-02
Initials: CHD

NAME (PLEASE PRINT) Carla Christian

TITLE Regulatory Technician

SIGNATURE



DATE 5/6/2002

(This space for State use only)

RECEIVED

MAY 10 2002

DIVISION OF
OIL, GAS AND MINING



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Kathleen Clarke
Executive Director

Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801
801-538-5340
801-359-3940 (Fax)
801-538-7223 (TDD)

May 22, 2003

Carla Christian
Dominion Expl & Prod. Inc.
14000 Quail Springs
Oklahoma City, OK 73134

Re: APD Rescinded – HR State S 44-2 Sec. 2, T.12S, R. 23E Uintah County, Utah
API No. 43-047-33130

Dear Ms. Christian:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on February 25, 1999. On August 30, 2000, April 27, 2001 and on May 15, 2002 the Division granted a one-year APD extension. On May 22, 2003, you requested that the division rescind the approved APD. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective May 22, 2003.

A new APD must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,

A handwritten signature in cursive script, appearing to read 'Diana Mason'.
Diana Mason
Engineering Technician

cc: Well File
Gil Hunt, Technical Services Manager

Division of Oil, Gas and Mining
OPERATOR CHANGE WORKSHEET

ROUTING

1. DJJ
2. CDW

X - Change of Operator (Well Sold)

Operator Name Change/Merger

The operator of the well(s) listed below has changed, effective:

7/1/2007

FROM: (Old Operator): N1095-Dominion Exploration & Production, Inc 14000 Quail Springs Parkway, Suite 600 Oklahoma City, OK 73134 Phone: 1 (405) 749-1300	TO: (New Operator): N2615-XTO Energy Inc 810 Houston St Fort Worth, TX 76102 Phone: 1 (817) 870-2800
--	--

CA No.				Unit:						
WELL NAME		SEC		TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
SEE ATTACHED LIST										

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 8/6/2007
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 8/6/2007
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 8/6/2007
- a. Is the new operator registered in the State of Utah: _____ Business Number: 5655506-0143
- b. If **NO**, the operator was contacted on: _____
- a. (R649-9-2)Waste Management Plan has been received on: IN PLACE
- b. Inspections of LA PA state/fee well sites complete on: n/a
- c. Reports current for Production/Disposition & Sundries on: ok
- Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM BIA
- Federal and Indian Units:**
The BLM or BIA has approved the successor of unit operator for wells listed on: _____
- Federal and Indian Communization Agreements ("CA"):**
The BLM or BIA has approved the operator for all wells listed within a CA on: _____
- Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: _____

DATA ENTRY:

- Changes entered in the **Oil and Gas Database** on: 9/27/2007
- Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 9/27/2007
- Bond information entered in RBDMS on: 9/27/2007
- Fee/State wells attached to bond in RBDMS on: 9/27/2007
- Injection Projects to new operator in RBDMS on: 9/27/2007
- Receipt of Acceptance of Drilling Procedures for APD/New on: 9/27/2007

BOND VERIFICATION:

- Federal well(s) covered by Bond Number: UTB000138
- Indian well(s) covered by Bond Number: n/a
- a. (R649-3-1) The **NEW** operator of any state/fee well(s) listed covered by Bond Number 104312762
- b. The **FORMER** operator has requested a release of liability from their bond on: 1/23/2008

The Division sent response by letter on: _____

LEASE INTEREST OWNER NOTIFICATION:

- (R649-2-10) The **NEW** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: _____

COMMENTS:

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER:
2. NAME OF OPERATOR: XTO Energy Inc. <i>N 2615</i>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 810 Houston Street CITY Fort Worth STATE TX ZIP 76102		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: SEE ATTACHED		8. WELL NAME and NUMBER: SEE ATTACHED
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:		9. API NUMBER: SEE ATTACHED
COUNTY: Uintah		10. FIELD AND POOL, OR WILDCAT: Natural Buttes
STATE: UTAH		

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input checked="" type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Effective July 1, 2007, XTO Energy Inc. has purchased the wells listed on the attachment from:

Dominion Exploration & Production, Inc.
14000 Quail Springs Parkway, Suite 600
Oklahoma City, OK 73134

N 1095

James D. Abercrombie
James D. Abercrombie
Sr. Vice President, General Manager - Western Business Unit
(405) 749-1300

Please be advised that XTO Energy Inc. is considered to be the operator on the attached list and is responsible under the terms and conditions of the lease for the operations conducted upon the lease lands. Bond coverage is provided by Nationwide BLM Bond #104312750 and Department of Natural Resources Bond #104312762.

NAME (PLEASE PRINT) <u>Edwin S. Ryan, Jr.</u>	TITLE <u>Sr. Vice President - Land Administration</u>
SIGNATURE <i>Edwin S. Ryan, Jr.</i>	DATE <u>7/31/2007</u>

(This space for State use only)

APPROVED *9127107*

Earlene Russell
Division of Oil, Gas and Mining
Earlene Russell, Engineering Technician

(See Instructions on Reverse Side)

RECEIVED

AUG 06 2007

DIV. OF OIL, GAS & MINING

N1095 DOMINION E and P, INC. to N2615 XTO ENERGY, INC.

api	well_name	qtr_qtr	sec	tpw	rng	lease_num	entity	Lease	well	stat
4301530633	SKYLINE U 1-6	NENE	06	160S	060E	UTU-77263	99999	Federal	GW	DRL
4304731138	RBW 11-34B	NESW	34	090S	190E	U-017713	7058	Federal	GW	P
4304731179	BARTON FED 1-26	NWSE	26	100S	190E	U-43156	8005	Federal	GW	P
4304731724	RBW 11-35B	NESW	35	090S	190E	U-017713	11502	Federal	GW	S
4304731818	WILLOW CREEK UNIT 2	SESW	05	110S	200E	U-39223	11604	Federal	GW	TA
4304731878	EVANS FED 3-25	NENW	25	100S	190E	U-43156	11106	Federal	GW	P
4304731879	EVANS FED 41-26	NENE	26	100S	190E	U-43156	11034	Federal	GW	P
4304731881	APACHE 12-25	NWSW	25	100S	190E	UTU-3405	11080	Indian	GW	P
4304731897	END OF THE RAINBOW 21-1	SWSE	21	110S	240E	U-54224	11223	Federal	GW	S
4304731922	APACHE FED 44-25	SESE	25	100S	190E	U-3405	11185	Federal	GW	S
4304732094	RBW 13-35B	SWSW	35	090S	190E	U-017713	7058	Federal	GW	S
4304732222	RBW 15-35B	SWSE	35	090S	190E	U-017713	11365	Federal	GW	S
4304732237	FEDERAL 13-26B	SWSW	26	090S	190E	UTU-68625	11370	Federal	GW	S
4304732394	EVANS FED 12-25A	SWNW	25	100S	190E	U-43156	11451	Federal	GW	P
4304732395	EVANS FED 32-26	SWNE	26	100S	190E	U-43156	11447	Federal	GW	P
4304732515	WHB 1-25E	NENE	25	100S	190E	U-73011	11720	Federal	GW	P
4304732557	FEDERAL 12-11	SWNW	11	120S	240E	UTU-66425	11761	Federal	GW	S
4304732558	FEDERAL 34-30	SWSE	30	110S	230E	UTU-66410	11747	Federal	GW	S
4304732559	FEDERAL 22-22	SENW	22	110S	230E	UTU-66409	11746	Federal	GW	P
4304732560	FEDERAL 21-27	NENW	27	100S	240E	UTU-66422	11762	Federal	GW	P
4304732600	RBW 1-21EO	NENE	21	100S	190E	U-013766	11783	Federal	OW	S
4304732681	LANDING STRIP FEDERAL 44-10	SESE	10	120S	240E	UTU-69430	11853	Federal	GW	S
4304733019	BLACK DRAGON UNIT 31-34	NWNE	34	100S	240E	UTU-66422	12280	Federal	GW	P
4304733242	FEDERAL K 23-22	NESW	22	110S	210E	UTU-75098	13107	Federal	GW	P
4304733299	FED K 12-22	SWNW	22	110S	210E	UTU-75098	13133	Federal	GW	P
4304733508	EVANS FED 15-26E	SWSE	26	100S	190E	U-3405	12767	Federal	GW	P
4304733509	EVANS FED 9-26E	NESE	26	100S	190E	UTU-3405	12749	Federal	GW	P
4304733510	EVANS FED 10-25E	NWSE	25	100S	190E	U-3405	12927	Federal	GW	P
4304733511	EVANS FED 14-25E	SESW	25	100S	190E	U-3405	12793	Federal	GW	P
4304734000	RBW 1-18E	NENE	18	100S	190E	UTU-3576	14549	Federal	GW	P
4304734669	EVANS FED 4-25E	NENE	26	100S	190E	U-43156	13588	Federal	GW	P
4304734887	EVANS FED 2-26E	NWNE	26	100S	190E	U-43156	13830	Federal	GW	P
4304734908	EVANS FED 15-25E	NWSE	25	100S	190E	U-3405	14023	Federal	GW	P
4304734909	WH FED 11-26E	NESW	26	100S	190E	UTU-3405	14629	Federal	GW	P
4304734984	WHB 4-26E	NWNW	26	100S	190E	U-43156	14898	Federal	GW	P
4304734985	WHB 6-26E	SENW	26	100S	190E	U-43156	14886	Federal	GW	P
4304735034	EVANS FED 8-26E	SENE	26	100S	190E	U-43156	14145	Federal	GW	P
4304735035	WHB 12-26E	NWSW	26	100S	190E	UTU-3405	14899	Federal	GW	P
4304735036	EVANS FED 11-25E	NESW	25	100S	190E	UTU-3405	14134	Federal	GW	P
4304735037	EVANS FED 13-25E	SWSW	25	100S	190E	UTU-3405	14090	Federal	GW	P
4304735043	EVANS FED 16-26E	SESE	26	100S	190E	UTU-3405	14372	Federal	GW	P
4304735063	EVANS FED 8-25E	SENE	25	100S	190E	U-43156	14089	Federal	GW	P
4304735064	EVANS FED 6-25E	SENW	25	100S	190E	U-43156	14135	Federal	GW	P
4304735065	EVANS FED 9-25E	NESE	25	100S	190E	UTU-3405	13983	Federal	GW	P
4304735102	EVANS FED 2-25E	NWNE	25	100S	190E	U-43156	13956	Federal	GW	P
4304737451	WHB 13-26E	SWSW	26	100S	190E	UTU-3405	16058	Federal	GW	P
4304738869	LOVE 4-20G	NWNW	20	110S	210E	UTU-076040	16249	Federal	GW	DRL
4304739064	UTE TRIBAL 2-11H	NENW	11	110S	200E	14-20-H62-5611	16072	Indian	GW	DRL

N1095 DOMINION E and P, INC. to N2615 XTO ENERGY, INC.

api	well_name	qtr_qtr	sec	tpw	rng	lease_num	entity	Lease	well	stat
4304731777	STATE 4-36E	NWNW	36	100S	190E	ML-42175	11186	State	GW	P
4304731784	STATE 12-36E	NWSW	36	100S	190E	ML-42175	99998	State	GW	LA
4304732019	STATE 11-36E	NESW	36	100S	190E	ML-42175	11232	State	GW	P
4304732224	STATE 5-36B	SWNW	36	090S	190E	ML-45173	11363	State	GW	PA
4304732249	STATE 9-36B	NESE	36	090S	190E	ML-45173	11372	State	GW	PA
4304732316	RBU 12-2F	NWSW	02	100S	200E	ML-10716	99998	State	GW	LA
4304732404	STATE 2-36E	NWNE	36	100S	190E	ML-42175	99998	State	GW	LA
4304732405	STATE 9-36E	NESE	36	100S	190E	ML-42175	99998	State	GW	LA
4304732845	H R STATE S 22-2	SENE	02	120S	230E	ML-42215		State	GW	LA
4304732870	H R STATE S 24-2	SESW	02	120S	230E	ML-42215		State	GW	LA
4304732940	H R STATE S 42-2	SENE	02	120S	230E	ML-42215	13175	State	D	PA
4304732979	STATE 2-36E	NWNE	36	100S	190E	ML-42175	12390	State	GW	P
4304733129	STATE G 22-32	SENE	32	100S	230E	ML-47063		State	GW	LA
4304733130	H R STATE S 44-2	SESE	02	120S	230E	ML-42215		State	GW	LA
4304733169	STATE M 42-2	SENE	02	110S	230E	ML-47078		State	GW	LA
4304733173	STATE M 23-2	NESW	02	110S	230E	ML-47078		State	GW	LA
4304733174	STATE M 44-2	SESE	02	110S	230E	ML-47078		State	GW	LA
4304733175	STATE N 31-16	NWNE	16	110S	240E	ML-47080		State	GW	LA
4304733176	STATE Q 44-16	SESE	16	120S	210E	ML-47085	13134	State	D	PA
4304733181	STATE 1-36E	NENE	36	100S	190E	ML-42175	12539	State	GW	P
4304733738	STATE 1-2D	NENE	02	100S	180E	ML-26968		State	GW	LA
4304733740	STATE 9-2D	NESE	02	100S	180E	ML-13215-A		State	GW	LA
4304733837	STATE 7-36E	SWNE	36	100S	190E	ML-42175	13186	State	GW	P
4304734012	CLIFFS 15-21L	SWSE	21	110S	250E	FEE		Fee	GW	LA
4304734123	STATE 15-36E	SWSE	36	100S	190E	ML-42175	13784	State	GW	P
4304734124	STATE 9-36E	NESE	36	100S	190E	ML-42175	13760	State	GW	P
4304734241	STATE 5-36E	SWNW	36	100S	190E	ML-42175	13753	State	GW	P
4304734284	STATE 13-36E	SWSW	36	100S	190E	ML-42175	13785	State	GW	P
4304734285	STATE 6-36E	SENE	36	100S	190E	ML-42175	13370	State	GW	P
4304735089	WHB 8-36E	SENE	36	100S	190E	ML-42175	14024	State	GW	P
4304735612	WHB 14-36E	SESW	36	100S	190E	ML-42175	14759	State	GW	P
4304736292	WHB 12-36E	NWSW	36	100S	190E	ML-42175	15116	State	GW	P
4304736666	KINGS CANYON 1-32E	NENE	32	100S	190E	ML-47058	14958	State	GW	P
4304736667	KINGS CANYON 10-36D	NWSE	36	100S	180E	ML-047058	14959	State	GW	P
4304737034	AP 15-2J	SWSE	02	110S	190E	ML-36213	15778	State	GW	P
4304737035	AP 10-2J	NWSE	02	110S	190E	ML-36213	16029	State	GW	S
4304737036	AP 9-2J	NESE	02	110S	190E	ML-36213	15881	State	GW	P
4304737037	AP 8-2J	SENE	02	110S	190E	ML-36213	15821	State	GW	P
4304737038	AP 5-2J	SWNW	02	110S	190E	ML-36213	16043	State	D	PA
4304737039	AP 3-2J	NENW	02	110S	190E	ML-36213	15910	State	GW	P
4304737040	AP 2-2J	NWNE	02	110S	190E	ML-36213	99999	State	GW	DRL
4304737041	AP 1-2J	NENE	02	110S	190E	ML-36213	15882	State	GW	P
4304737659	KC 8-32E	SENE	32	100S	190E	ML-047059	15842	State	GW	P
4304737660	KC 9-36D	SESE	36	100S	180E	ML-047058	99999	State	GW	DRL
4304738261	KINGS CYN 2-32E	NWNE	32	100S	190E	ML-047059	15857	State	GW	DRL